



บริษัท ทีบีเอสพี จำกัด (มหาชน)  
TBSF Public Company Limited

# ANNUAL REPORT

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## 2020

TO BE THE REGIONAL TRUSTED LEADER IN INFORMATION  
SECURITY SOLUTIONS WITH TECHNOLOGY INTEGRATION



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The economic world in 2020 caused the infectious virus, Corona virus in 2019 COVID -19 outbreak since early last year. Causing the domestic economy to slow down and from the second quarter onwards, there has been a revival of private consumption. And government expenditure that expanded due to the economic stimulus policy. In Thailand, it is the same. There has been a steady improvement in the trend. Supporting factors from the epidemic control measures in the country positively affect the overall economy. In addition, the policy to stimulate the economy continues to include measures to stimulate tourism and spending. Financial easing measures and increasing liquidity for SMEs and reducing obstacles from government operations. Including household spending, etc.

An overview of the business in recent years, the boss packages printed anti-counterfeiting and plastic cards (current business) dropped from both the public and private sector of the past due to the COVID - 19 that disrupted this group of customers Delay the ordering of products and the adjustment of consumers like banks. That has turned to more online services, able to conduct financial transactions via mobile phone, etc. For the new business that has been changed in the past year is the label and packaging solution of the anti-counterfeiting business group (Label & Packaging Solution). o each business group to accelerate the development platform (for the Digital the platform). Continuously Despite the slowdown in construction projects from clients, but expects 2021 to be able to modify and track multiple projects as well as during the 3rd quarter of 2020 the company has. Restructuring the Company's business by transferring the entire business, which is the print media business T.K.S. Siam Press Management Co., Ltd., a newly established subsidiary of TBSP Public Company Limited, to build a strong business and facilitate management planning. Make the second half, six months can reduce production costs by 12 % and reduce the cost of operation down to 9 % compared to the first half of 2020, but the year 2019 is to reduce production costs down. Get 28 % and reduce operating costs by 10 %.

From this operation Resulting in the performance of the company and its subsidiaries in the year 2020 totaled 1,615 million baht, a decrease of 573 million baht or 26 percent from the previous year, and a net profit loss of 13 million baht, a decrease of 120 million baht from the previous year compared to 2019.

The overall economic projections Thailand in the year 2021 Analysis of EIC of Finance and Moody 's, said the recovery of the Company's economic, there are associated risks Checkpoints normally consists of 1) Return outbreak again. COVID -19, both abroad and in Thailand Due to the still uncertain Recover be related to the outbreak, 2) a fast-paced game Rock the degree of effective vaccines, which directly impact the tourism sector, 3) result of scar economy may impact. To the stability of financial institutions Unemployment and closure may increase a direct impact on your ability to repay the debt of both Tuu, businesses and households 4) uncertainty over Thailand's political impact, but for the economy, hence the government. Therefore, accelerate the creation of a policy to push the domestic economy to recover with a policy to push forward the tourism economy development plan Including a digital economy development plan that will help increase investment in Concrete networking and developing platforms in both the public and private sectors is a great opportunity for the company to accelerate research and develop new business segments to meet the changing needs of consumers.

For the business plan in 2021, after the business restructuring of the company by transfer of the entire business, which is the print media business, T. K. S. Siam Press Management Company Limited, a subsidiary of the newly formed TBSP Public Company Limited for easy management plan the company has had to modify Vision. Business and values of the organization Both affiliated to have the same pattern and direction Including group modification of product and service development, as well as corporate strategy for product development and expanding new customer base. Including looking for a partner to cooperate with research and development institutions (R&D) both in the country and abroad in the development of raw materials. Printing techniques, forms, labels and packaging to distinguish over than rivals such as counterfeiting technology has advanced. Intelligent packaging technology, etc. It also accelerates the Business development platform (for the Digital the Platform) and to create a culture and increase the potential of people in the organization. By adopting innovation and technology Including improving internal management in terms of cost, productivity and quality to increase the value of products and services by aiming to drive sales and develop the business to grow according to the goals set

In addition, the company still adheres to Principles of Corporate Governance, which consists of an ideology. Code of conduct and corporate governance, including anti- corruption of all forms, by establishing an anti-corruption policy as a clear guideline in business operations. And create corporate culture in line with company ideology. In the year 2020, the company received the CAC (Thailand 's Private Sector Collective Action Coalition Against Corruption) award, which demonstrates commitment and determination as an organization that operates in a transparent manner. have

The company also pays attention to safety. Occupational health and work environment of employees Actions to reduce environmental impact and sustainably manage energy through a systematic management system. According to international standards as well as take care of the surrounding community and expand the effect to the wider society in order to aim to improve the quality of life

The Board of Directors would like to thank shareholders, customers, employees and business partners. As well as all related parties who have always promoted and supported the operations of the company. And I would like to believe that the company continues to strive to develop the organization to progress along with sustainable business growth by adhering to the principles of good corporate governance continually in order to protect the best interests of shareholders and stakeholders all interested parties to ensure the reliability and trust, the company is offering.

**Mr. Chaiwat Utaiwan**

Chairman of the Board of Directors

**Mr. Pakpoom Pooudom**

Managing Director (Acting)





# 01

## Vision and Business Overview

TPSP Public Company Limited or TBSP is a provider of the integrated anti-counterfeit services covering the security printing manufacturing businesses for all types of security documents including plastic cards. TBSP is ready to advance toward the digital platform development for the integrated anti-counterfeit services. Throughout the past 2-4 years, the Company has introduced the new technologies and innovations as part of the business, and continuously developed its personnel potential and work process at the same time to create the customer trust on quality products and services which are the significant core value of its business operations.

### Vision

**To be the regional trusted leader in information security solutions with technology integration.**

### Mission

1. Promote the development of new growth engines through integration across innovative practice and authentication technologies to be a key pillar business
2. Strengthen achieved on cost efficiency and HVA creation
3. Focus on corporate value, people development (technology-based skills) and operational excellence for integrity, professionalism and achieving high performance
4. Enhance sustainable value and trusted value to our stakeholders as being partner.

### Values

<b>Innovation</b>	: Is an organization that encourages employees to be creative, innovative in their work and develop new products with advanced technology, creating value for customers, organizations and society
<b>Trusted</b>	: Is an organization that is committed to treating all stakeholders honestly and transparently and with good governance.
<b>The Best</b>	: Is an organization that responds to the customer delight and improves the quality of products and services.
<b>Security Solution</b>	: Is an organization that considers information security as an important foundation and is a good partner for all stakeholders and responsible for society and the environment.
<b>Professional</b>	: As organizations develop and enhance their skills. Competency of staff development processes. Professionally create new products.

### Corporate Goal

According to the 5-year long-term corporate strategic plan and goal (2021-2025), the Company has set its goal on the readiness to step toward major changes to be the international leader in creating the quality and integrated anti-counterfeit product and service innovations in type of one stop service. The Company adopts the up-to-date technology as part of its business operation and advances toward as the new business in business operation, and also looks for the channel of new customer and partner group expansion in sales volume and profit support, enhances the efficiency of the resource and cost management, and simultaneously create the core corporate value, focuses on the personnel development to have innovation and technology skills, and operational excellence toward the organization with honesty, professionalism, maximum efficiency, and remains taking care and concerning the surrounding communities as well as the stakeholders in all sectors for the sustainable mutual social development.

# Major Changes

## 2020

- On February 7th, 2020, the Company has been certified as the member of the Thai Private Sector Collective Action Against Corruption (CAC).
- The 2020 Annual General Meeting of Shareholders held on May 28, 2020, approved the Company Group's business re-structure in relation to the printing business of T.K.S.Siam Press Management Co.,Ltd., through Service Hall Co.,Ltd. ("Service Hall") including approve the capital increase and the allocation and issuance of the 94,220,357 newly issued ordinary shares at the par value of THB 1 per share and at the offering price of the THB 13.80 to Service Hall as payment for the acquisition and acceptance of the entire business transfer from Service Hall. Nonetheless, Service Hall has already registered for the dissolution with the Department of Business Development, Ministry of Commerce, on June 10, 2020. Subsequently, the liquidator and other shareholders of Service Hall delivered the notification demanding the Company to allocate its 94,220,357 newly issued ordinary shares to T.K.S.Tecnologies PCL. On June 29, 2020
- The Company has received Thailand Sustainability Investment (THIS) Award from the Stock Exchange of Thailand for four consecutive years.

## 2019

- On June 4th, 2019, the company changed our name from Thai British Security Printing Public Company Limited to be TBSP Public Company Limited.
- On October 4th, 2019, the company received report on tender offer result of securities buying from T.K.S. Technology Public Company Limited that makes tender offer of all securities of the company. Consequently, the proportion of shareholding of T.K.S. Technology Public Company Limited was 97.17% therefore it became the major shareholder of the company.
- The company received Sustainability Excellence (Rising Star) from the Stock Exchange of Thailand.
- The company has received Thailand Sustainability Investment (THIS) from the Stock Exchange of Thailand for three consecutive years.

## 2018

- On April 12, 2018, the Company received a report on the result of the tender (Form 256-2) from TKS Technology Public Company Limited, which is the tender offer of the company. As a result, the shareholding proportion of TKS Technology Public Company Limited becomes 77.74 percent, the major shareholder of the Company.
- It received an award of Thailand Sustainability Investment: THIS or Sustainable Stocks of the year 2018 from the Stock Exchange of Thailand.
- It received an award and a certificate of "Excellent Innovation Organization of the Year 2018" at Innovation Thailand Expo 2018 by the National Innovation Agency
- INFOSAFE received Outstanding Enterprise Award on Safety, Occupational Health, and Working Environment of the Year 2018

## 2017

- Purchased 1,666,000 shares of Thai British Dpost Company Limited (a subsidiary) from Data Post Pte Ltd. calculated to be 49% of paid-up capital on January 31st, 2018, therefore the company holds all shares of Thai British Dpost Company Limited.
- Invested in and established a joint venture on security printing business in Republic of the Union of Myanmar under the name of Myanmar Deco-TSBP Special Products Company Limited. As at January 2, 2018, the proportion of shareholding 40%.
- Received the Green Industry Level 4th Award (Green Culture) from the Ministry of Industry.
- Received the Excellence Award on Occupational Safety, Health, and Work Environment 2017 that is the 6th award consecutively received by the company and the 5th award consecutively received by our subsidiary, Thai British Dpost Company Limited.
- Registered on ordinary share price change from 10 baht to be 1 baht on April 21st, 2017.

## 2016

- Increased registered share capital of Thai British Security Printing Overseas Co., Ltd. from 1 million Baht to 37 million baht on October 5th, 2016.
- Received the 2016 Investors' Choice Award from Thai Investors Association on the full score of the assessment in the quality of the Annual General Meeting of Shareholders (AGM) arrangement for 4 consecutive years.
- Received the 2016 Outstanding Organization Award for Safety, Occupational Health and Working Environment for 5 consecutive years and Thai British DPost Company Limited (subsidiary) received the award for 4 consecutive years.
- Received the 2016 Thailand Kaizen Award "Bronze Award" from Technology Promotion Association (Thailand-Japan).

## 2015

- Changed the major shareholder from SCG packaging public company limited to miss sutida mongkolsuthree on november 20, 2015.
- Established Thai British Security Printing Overseas Company Limited on April 30, 2015.
- Certified Japan Credit Bureau by jcb international co., ltd and union pay cards by china union pay international co., ltd. for card printing and personalization.
- Received the 2015 outstanding organization award for safety, occupational health and working environment for 4 consecutive years and Thai British Dpost Company Limited received the award for 3 consecutive years.
- Received "Bronze Award" from Thai Print Awards 2015
- Received ESG100 certificate for the outstanding business operation in term of environmental and social, and governance (ESG) aspects.
- Received certificate for good environment governance and green industry for the year 2015.

## 2014

- Became the first printing company certified ISO BCM 22301:2012. The Business Continuity Management which is the standard of an effective business continuity management to ensure the ongoing of business operations by Bureau Veritas.
- Received the 2014 CSR recognition award from the Stock Exchange of Thailand for 3 consecutive years.

- Received the NACC Integrity Award from the Office of the National Anti-Corruption Commission for the 2 consecutive years
- Received the 2014 Outstanding Organization Award for Safety, Occupational Health and Working Environment at the National Level for 3 consecutive years. Thai British DPost Company Limited received the award for 2 consecutive years from the Department of Labor Protection and Welfare.

- Received the 2014 Thailand Kaizen Award 'Bronze Award' and Certificate in Project Kaizen category from the innovation on process improvement by Kaizen principle from Technology Promotion Association (Thailand-Japan).

#### 2013

- Expanded to new services under Infozape brand which is offering the solutions for confidential document storage and shredding.
- Received the 2013 CSRI Recognition Award from the Stock Exchange of Thailand.
- Received CSR-DIW Continuous Award from the Department of Industrial Works for the 2nd years.
- Received the NACC Integrity Award from the Office of the National Anti-Corruption Commission.
- Received the 2013 Outstanding Organization Award for Safety, Occupational Health and Working Environment at the National Level for 2 consecutive years from the Department of Labour Protection and Welfare.
- Received the Golden Award in Kaizen Office category from Thailand Kaizen Award 2013 by Technology Promotion Association (Thailand-Japan).

#### 2012

- Received the CSRI Recognition Award in Rising Star category from the Stock Exchange of Thailand.
- Received the 3Rs Award, Zero Waste to Landfill Achievement Award, and the 2012 CSR-DIW Continuous Award from the Department of Industrial Works.

#### 2010

- Became the first printing house in Thailand to obtain ISO/IEC 27001:2005 and CWA (CEN Workshop Agreement).

#### 2007

- Strategic Partner in Printing and Data systems Development under a new company namely Thai British Dpost Co., Ltd.

#### 2005

- Certified from VISA and MASTERCARD for card personalization of EMV (Euro-pay MasterCard-VISA).

#### 2002

- Thai Bank sold their shares in TBSP to Siam Pulp and Paper Public Company Limited. (Recently changed the company's name to the SCG Packaging Public Company Limited.

#### 1999

- Achieved ISO14001 certification and became one of the world's leaders in Contactless Smart Card production.

#### 1996

- TBSP started trading on the Stock Exchange of Thailand.
- TBSP entered new market with the product of the preprinted stamp postcard.

#### 1994

- Krung Thai Bank became a shareholder and TBSP was transformed into a Public Company.

#### 1992

- TBSP shares held by Thai British Printing and Communication (BPCC) were bought by the local and at the same time the company started plastic card production for ATM, credit and smart cards.
- The Company entered new markets with the production of the Thai passport.

#### 1982

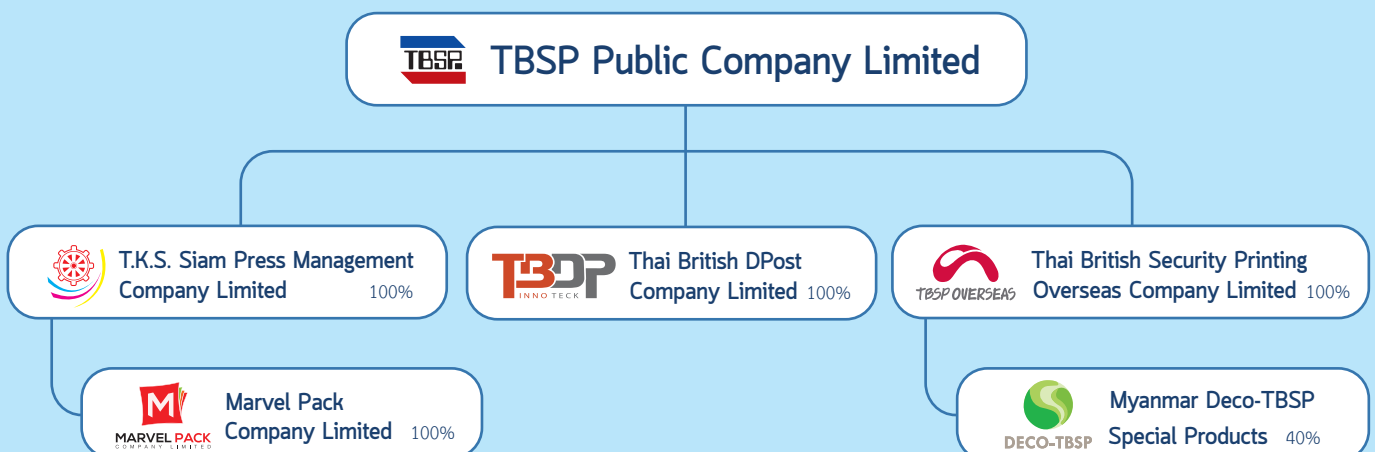
- Four more Thai banks joined the company, Bangkok Metropolitan Bank, Bank of Ayudhya, Union Bank of Bangkok and Thailand Military Bank.

#### 1978

- Company was established as a joint venture between The British Printing and Communication Corporation (Europe's largest printing group) and four Thai Banks, Kasikorn Bank, Siam Commercial Bank, Bank of Asia and Thai Danu Bank, to produce security documents, cheques and financial documents.

## Group Structure

(as 31 December 2020)

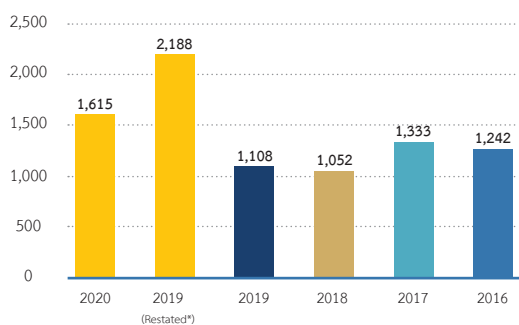


## 02

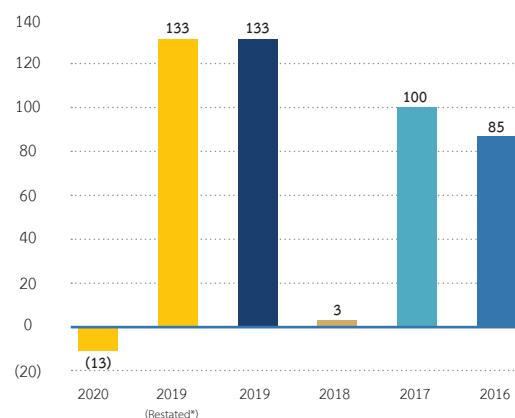
Financial  
Highlight

## TBSP Public Company Limited

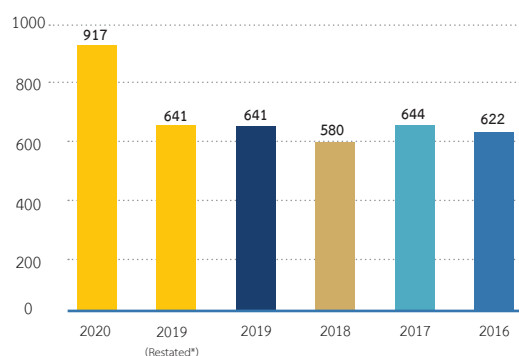
Revenue from sale of goods and rendering of services (million Baht)



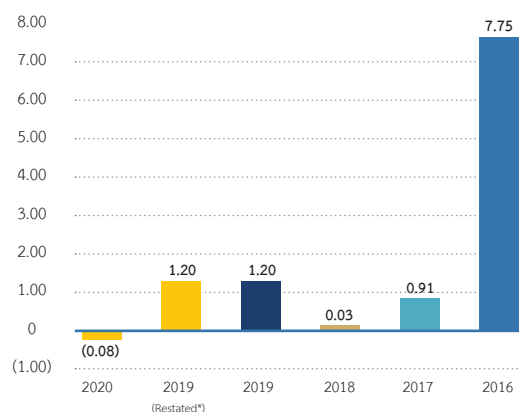
Net Profit (Loss) (million Baht)



Total equity attributable to owners of the parent (million Baht)



Earnings per share (Baht)



## Financial Highligh

Unit : (Baht)

Data from the Financial Statement	2020	2019 (Restated)*	2019	2018	2017	2016
Revenue from sale of goods and rendering of services	1,614,529	2,187,870	1,107,811	1,051,983	1,333,178	1,241,884
Total revenues	1,640,973	2,364,018	1,263,804	1,061,187	1,345,989	1,246,627
Cost of sale of goods and rendering of services	1,234,089	1,703,164	908,481	872,976	1,013,288	981,019
Gross profit	380,440	484,706	199,330	179,007	319,890	260,865
Operating expenses	392,465	389,491	180,510	162,999	192,601	163,570
Profit before interest, tax, depreciatio and amortization (EBITDA)	177,730	410,292	238,752	96,466	197,961	165,156
Profit (loss) attributable to owner of the parent	(13,017)	132,511	132,511	3,090	100,284	85,289
Total current assets	641,123	796,052	469,504	361,764	443,785	547,779
Total assets	1,933,333	2,042,330	1,257,338	1,198,192	1,022,711	997,066
Total current liabilities	723,362	805,697	394,339	325,607	228,511	279,665
Total liabilities	1,016,734	1,069,912	616,252	618,206	360,183	356,744
Authorised shares capital	204,220	110,000	110,000	110,000	110,000	110,000
Issued and paid-up share capital	204,220	110,000	110,000	110,000	110,000	110,000
Total shareholders' equity	916,599	972,418	641,086	579,986	662,528	640,322
Total equity attributable to owners of the parent	916,599	641,086	641,086	579,986	643,911	622,044

Financial Ratio	2020	2019 (Restated)*	2019	2018	2017	2016
Total number of shares issued (Shares)	204,220,357	110,000,000	110,000,000	110,000,000	110,000,000*	11,000,000
Par value (Baht)	1.00	1.00	1.00	1.00	1.00	10.00
Book value per share (Baht)	4.49	5.83	5.83	5.27	5.85	56.55
Earnings per share (Baht)	(0.08)	1.20	1.20	0.03	0.91	7.75
Dividends per share (Baht)	-	1.13**	1.13**	-	0.70	7.00
Dividends payout ratio (%)	-	77.70	77.70	-	69.87	91.66
Return on revenue from sale of goods and rendering of services (%)	(0.81)	6.06	11.96	0.29	7.52	6.87
Return on equity (%)	(1.42)	20.67	20.67	0.53	15.57	13.77
Return on total assets (%)	(0.65)	8.03	10.79	0.28	9.93	9.20
EBITDA on total assets (%)	8.94	24.87	19.45	8.69	19.60	17.81
Debt to equity ratio (Times)	1.11	1.10	0.96	1.07	0.54	0.56
Price earnings ratio (Times)**	(159.27)	11.54	11.58	516.67	17.14	20.13

\*At the Annual General Meeting of Shareholders of the Company held on 28 May 2020, the shareholders passed a resolution to accept entire business transfer according to the entire business transfer plan between the Company and Service Hall Company Limited, which include T.K.S. Siampress Management Company Limited ordinary shares of 29,999,994 shares at the par value of Baht 10 per share (SPM is wholly-owned subsidiary with 99.99% shareholding of issued and paid-up share capital). The shareholders also passed a resolution of an issuance and allocation not exceeding 94,220,357 shares at the par value of Baht 1 per share at the offering price Baht 13.80 by way of private placement to Service Hall totalling Baht 1,300.24 million as a consideration paid for entire business of Service Hall, instead of cash.

\*\* Price is the year ended price at which a security is traded in the local board of SET

## 03 Business Structure



TBSP Public Company Limited has been the leader of security printing manufacturing and distribution over 40 years with products and services like checks, book bank, business forms, commercial printing business, other types of security printing, and plastic cards, etc. In addition, the company also provides other services on secure information management including complete services on envelop fulfillment and mailing, document management, stationary, and devices. Currently, the company expands our business to new business for supporting demands of markets and digital era consisted of Label & Packaging Solution and Digital Platform. Customers are able to be reliable on standards and quality of our products and services that are under certification of management system under international standards, for example, Information Security System (ISO27001:2013), Quality Management System Standard (ISO9001:2015), Product Safety and Cleanliness Management System (GMP), Environmental Management System (ISO14001:2015), Occupational Safety and Health Management System (ISO45001:2018), PCI for Card Production & Personalization, Card Quality Management (CQM), Visa MasterCard JCB CUP TBCC and AMERICAN EXPRESS (AMEX), etc. Which has been merged after the second half of 2020 with a restructuring of the company. The company has 2 manufacturers including Poochao Samingprai Plant (Plastic card production) located in Samut Prakan Province and Sinsakhon Industrial Estate, Sales Office located in Samut Sakhon Province.

## Management Goals

### Business

The company focuses on growth strategies on pushing the sales volume and making profit from expanding the sale base – both national and international. TBSP, furthermore, has developed new products and services in order to create products that are able to respond to customer needs, and handle more changes in future technology so as to provide customers with a complete service as regards the management of data security.

### Operation

The company adheres to TPM TQM and management principles. Change Management (MOC) used in process development Production, including the introduction of Lean Concept and Automation System to increase the efficiency of the production process. Reduce costs and reduce time. To work under the quality assurance system throughout all processes to increase the ability to manage to be modern, convenient and quick response.

### Human Resources

Bearing in mind the significance of the potential development of personnel, TBSP regularly develops and elevates the capability level of employees from every level to be suitable for the company's policy and direction.

### Social responsibility

The company manages our business with transparency under Corporate Governance Code by considering on treatment of stakeholders with policy on social responsibility in order to cover issues on human rights, society, environment, and anti-corruption that is consistent with Ten Principles of United Nations (UN) for driving to Sustainable Development Goals (SDGs)

## Income Structure

In 2019, the Company and its subsidiaries realized revenue from sale of goods and rendering services of 1,614 million Baht decreased from Baht 573 million or 26%. The group has divided revenue from 4 product products as follows

Revenue from sale of goods and rendering of services in 2019 (Restated), was generated form the business combination under common control between the Company and Service Hall Company Limited which include T.K.S. Siampress Management (SPM is wholly-owned subsidiary with 99.99%) Revenue Performance by Business

### Revenue Performance by Business

Product	Income (Baht'000)				Portion (%)			
	2020	2019 (Restated)	2019	2018	2020	2019 (Restated)	2019	2018
Printing Business	1,166,148	1,450,491	445,297	511,571	72.23	66.30	40.20	48.60
Plastic Card Business	246,743	428,523	437,946	310,376	15.28	19.59	39.50	29.50
Label Business	153,098	211,956	160,598	130,418	9.48	9.69	14.50	12.40
Smart Platform Business	48,540	96,900	63,970	99,618	3.01	4.43	5.80	9.50
Total	1,614,529	2,187,870	1,107,811	1,051,983	100.00	100.00	100	100

### Revenue Performance by Areas

Product	Income (Baht'000)				Portion (%)			
	2020	2019 (Restated)	2019	2018	2020	2019 (Restated)	2019	2018
Revenue from domestic sales	1,511,761	2,036,295	959,451	921,296	93.63	93.07	86.61	87.58
Revenue from overseas sales	102,768	151,575	148,360	130,687	6.37	6.93	13.39	12.42
Total	1,614,529	2,187,870	1,107,811	1,051,983	100.00	100.00	100.00	100.00





# PRODUCTS AND SERVICES

TBSP focuses on developing products and providing services for quality and greater counterfeiting protection with complete efficiency, creating confidence for customers with every change, and preparing to enter the digital age world. The Company has a policy to continuously adjust and develop the business in line with the direction of each business sector and be able to fully meet the needs of customers. The company divides its products and services as follows

## Security printing business (High Value Printing and Printing Solution)

The company is a leader with experience and expertise in security printing documents. Has been through for 40 years with the introduction of advanced printing techniques combined with the printing technology that has a variety of patterns used in the production process to increase production efficiency, quality and respond to customer needs.

### Cheque

As cheques are important documents, meticulous attention needs to be paid to every detail in order to prevent fraud starting from a selection of laser grade printing papers printed with magnetic ink character recognition, either with watermarks or for using in combination with other fraud prevention methods. The Company provides all types of cheques; cheque book, continuous cheque. At present, the company has developed a complete system for the production of cheques. To provide greater convenience for banking institutions, the company has initiated the fast cheque service, in which banks can readily place online orders via the E-Ordering system, thereby saving time and money. In addition, a special delivery service of cheques to differing branches of the banks ensures security and the prompt delivery of cheques to end customers.

### Security Documents

Security documents are important and valuable. It is, therefore, extremely crucial to be fraud-free such as share certificates, certificates, commercial cash coupons, postal stamps and postcard, passbook.

The company commits itself to provide solutions to customers in need of protecting their products from illegal duplication or counterfeiting. The company focuses on enhancing the quality of its products, adopting advanced printing techniques and a broad array of anti-counterfeiting technologies including printing ink, paper specialty and hologram foil. The state-of-the-art of technology is combined with excellent quality service to better address customers' demands and expectation.

Therefore, the company gains trust from the leading financial institutes, both in national and international, as well as the public and private to manufacture fraud-free document.



Remarks: \*MICR (Magnetic Ink Character Recognition) can be applied to other types of security printing requiring high safety, for example, financial instruments, vouchers, stamps, etc.



## Business forms and Commercial Document

With innovative machine and printing equipment, the company is able to provide a printing service for business forms such as various continuous forms, commercial printing, brochures, one-part mailer, payroll slips and other commercial document banking institutions, the company has initiated the Fast Cheque Service, in which banks can readily place online orders via the E-Ordering system, thereby saving time and money. In addition, a special delivery service of cheques to differing branches of the banks ensures security and the prompt delivery of cheques to end customers.

## Smart Card



## Plastic Card

The company is a leader in the production of plastic cards and provide personal data recording services on the card with modern printers and devices Including the management of security systems with high standards, certified by Visa MasterCard CUP JCB TBCC and AMERICAN EXPRESS (AMEX) to be a card manufacturer according to debit card standards, credit cards, chip-attached cards (EMV) and including the production of smart card different types. In addition, providing information on the card. There are many types of services such as name printing, photo printing, membership number, barcode, magnetic stripe information. Enter information in the chip and integration with the introduction of new technologies and applications, as well as providing documentation fill the card in the envelope to prepare for the delivery of various channels completely.

From dedication and importance in the development of plastic card products, the company has won the trust of many customers both in Thailand and abroad. By providing services for producing various types of plastic cards as follows

- **Chip Card (EMV):** Debit Card, Credit Card, Dual Interface Card, Hybrid Card
- **Payment Card:** ATM Card, Gift Card, Prepaid Card
- **Member Card:** Insurance Card, Driving License Card, Member Card, Food Center Card
- **Smart Card:** Contactless Card, ID Card, Transportation Card



## Other Services

### Data Printing, Enveloping and Mailing Service

The company provides a complete efficient service for individual data printing and mailing such as statements, advertising letters, insurance policies, etc. Service starts from data pick up-delivery from clients, data check, and security data printing. This data is treated confidentially. Service also includes selecting data and mailing it to recipient clients. The company also offers consultancy by experts on the techniques and programs suitable for each type of business, allowing the customers to enjoy the benefit of the world's cutting edge technological at reasonable price.

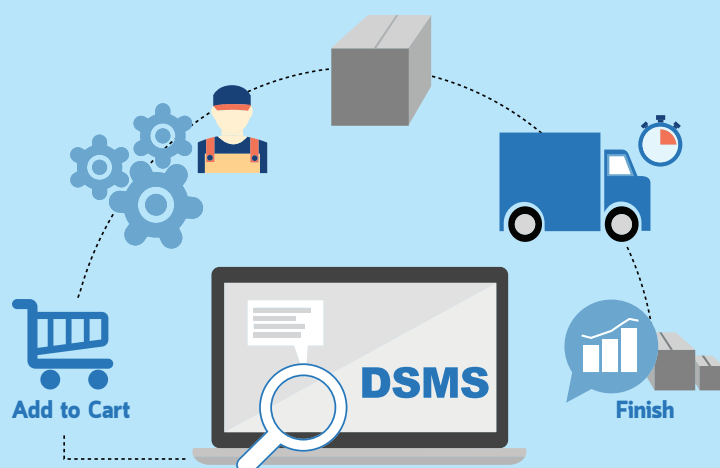


### Document Solutions Management Service: DSMS

The company considers on the large demands on documents and forms in large organizations requiring the large quantity of human resources, tools, and utensils for managing those demands therefore the company provides complete services on document archive management and devices for reducing workloads that are not the major works of organizations. Document Solutions Management Service (DSMS) offer one-stop services such as document management, forms, and stationaries and other equipment, starting from printing consultancy, printing design, manufacturing, purchasing, provision, quality control, storing, database storing, product delivery, destroying important documents and list making. The company applies a modern IT system in printing management so that customers can benefit from easy and fast service at reduced total cost. With the complete database system, customers will find it easy to follow and make decisions

1. Complete service to enhance efficiency in document and printing management.
2. Reduce expense on renting a warehouse.
3. Reduce expense on provision, storage, product delivery and manpower.
4. Flexibility and convenience owing to advance service.

## New Business



## 1. Label & Packaging Solution

At present, issues with high value products are imitated or counterfeited, which greatly affects the damage of brand owner companies in terms of its reputation and image. For this reason, the company recognizes the importance of printing anti-counterfeit labels by using advanced printing techniques combined with various anti-counterfeiting technologies to offer a full range of services to prevent counterfeiting and increase confidence for customers and consumers as much as possible. The various modern technologies that the company has applied are as follows:

### Track & Trace Solution :

It is a data tracking system to help you manage and track the delivery process of your entire supply chain real-time, starting from a raw material manufacturer, an original equipment manufacturer (OEM), a product distribution center, a product sales location, to an end user of the product. The system can be used with smartphones and tablets through QR code on product labels developed specifically, which is easy to track products and help protect your products from counterfeiting.

### Authentication :

It is a product inspection and authentication system for users to know a status which represents an authentic product or a counterfeit product through reading information on a product label with the system that the company designed and developed specifically.

## 2. Platform Solutions

### 2.1 Digital Platform Solution

From the business world trends in changing and challenging economic conditions, customers pay more attention to cost reduction in all work processes, mainly focusing on the operation in the core business of their own, as well as demand to increase the efficiency of those work processes to be more accurate and

faster. This is the source of the new business of the Company that focuses on meeting the needs of customers at present. The company has provided services to manage those work processes instead of customers in a comprehensive manner by applying modern IT technology to develop the system with the goal of covering the entire supply chain system in order to provide the overall image of the business of customers to be managed with maximum efficiency. Due to improving work processes and quality personnel along with the accuracy and safety of the work, it can reduce the cost of customers more than that of the customer's management so that the customers will be able to spend time in developing core products and services efficiently. The company therefore sees the business opportunity coming to serve customers in order to increase convenience with more comprehensive services to maintain the balanced customer base and expand the sales base to new customers with the following main tools:

- Document Management Solutions to facilitate customers from document conversion to electronic documents along with an enterprise content management (ECM) allowing real-time data search, as well as document storage and destruction services.
- Information Management Solution to increase customer convenience, from managing important databases through various processes, digital database management to provide.

### 2.2 Tracking & IoT Solution

With machinery expertise and more than 40 years of manufacturing experience, the company sees opportunities from its own strengths, thinking of business in order to support changes and expand business to increase competitiveness in the field of smart factory and IoT (Internet of Things) to help in the smart factory system for more efficient production.





# Marketing and Competition

Regarding the overview of the year 2020, the economic showed slow growth as well as change in consumer behavior towards the digital era as a result from the government's policy to promote for the adoption of technology and innovation. In this regards, the market trend of the anti-counterfeiting printing industry will show declining trend. With these factors, the company has been continuously investing in research & development on new businesses in order to enhance its competitiveness and response to customer's needs in a more comprehensive manner.

## Domestic market

### High Value Printing & Printing Solution

Overview of high valued printing and printing solution business  
High valued printing & printing solution business consists of cheque, share certificate, certificate, coupon, gift voucher, passbook, postage stamp, and other high valued printing & printing solution products that require advanced technology and compliance with international standard in production control in order to protect confidential information of clients which is a business that having few numbers of competitors. However, the overall business in 2020 has decrease in demand and usage due to consumer behavior shift towards increasing use of digital solutions for faster and more convenient provision of services which are pushed and transformed by financial institutions to provide more in digital services. In the past 2020, the overall economy was affected by the global situation, including the coronavirus outbreak 2019 or the COVID-19 virus and the Thai baht. Which resulted in a slowdown in product demand. In addition, the government's digital policy has been increasingly pushed towards reducing direct exposure and social distance according to the New Normal Issue and change in consumer behavior towards consumption of services through digital system

such as prompt pay, QR code payment, and digital banking have directly impact the demand for products in high-valued printing & printing solution.

### Overview of card solution business

Overall, the banking card market in 2020 saw a slower growth due to the change in banking policies that focused more on mobile payments and the tightening of the Bank of Thailand's credit card credit policy. up This resulted in a slowdown in the market picture as well as a decrease in the Bank's marketing promotion measures. Due to the economic impact as a result, the banking group has slowed its investment in marketing promotion activities. However, the market continues to grow in the mass transit segment. Expanding the sky train route, so the company needs to accelerate the development of solutions and situation monitoring with banks to look for further joint development channels to meet customer needs.

### Overview of label & packaging solution business

In the year 2020, e-Commerce business has grown rapidly. More and more consumers are turning to online ordering services. Of course, there are still gaps in packaging among consumer products such as food and beverage, cosmetics and pharmaceuticals etc. That may be counterfeit and cannot be traceable, therefore Anti-counterfeit label business from the direction and importance of preventing copyright infringement The company has therefore brought technology into its business operations. Develop production and service processes to meet the needs of entrepreneurs in solving copyright infringement problems. Reduce the problem of plagiarism prevent abuse or counterfeiting fully integrated which has received a lot of attention from the food and beverage business, cosmetics, pharmaceuticals.



## International exporting market

Although the overall exporting market is expected to shrink due to the escalating trade war and COVID-19 situation, which caused appreciation of Thai Baht that affects to Thailand's exports. In addition, the challenge of price competition from foreign manufacturers affected to Thailand's export to continually slowdown which the company export products to overseas market accounting for 5% of total sales revenue, which decreased by 13% from the previous year. It might lead to decrease in the company's overseas expansion to new customers. Therefore, the company will closely monitor and follow the situation of existing customers.



# 04

## Risk Factors

The Company's major risks and risk management strategies are as follows



### 1. Business Risk

The company is exposed to risks from the changing business environment as expected or planned. Both from the introduction of digital technology to transform the business (Digital transformation) in order to survive the digital disruption of businesses. And there is an epidemic of coronavirus disease (COVID-19) that has accelerated the change, especially the banking industry. These are the key customers of the company that have modified products and services to respond to changes in consumer and customer behavior according to the promotion and push of the government.

The company has established a risk response strategy by using the synergy resulting from EBT to increase sales opportunities and reduce costs, while increasing competitiveness by: Develop new innovations to meet customer needs and implement automation systems in production.

At the same time, the company has pushed sales of products in the label anti-counterfeiting category (Label) and accelerated sales in the existing customer base. There is also an accelerating customer base in the food and beverage segment. Manufacturing industry and cosmetics and pharmaceuticals Along with providing solutions to prevent plagiarism.

### 2. Financial Risk

The company controls investment risk by setting budgets and studying on feasibility of all projects before investing in the event that the budgets of those projects are over than 1 million baht. In addition, evaluation on Debt to Equity Ratio was controlled as defined.

#### 2.1 Interest Rate Risk

The Company has not substantial risk arising from the change in interest rate.

#### 2.2 Foreign Currency Exchange Rate Risk

The Company has not encounters risk as regards the foreign currency exchange rate derived from the purchase and sale of products in foreign currency. The Company has made a forward exchange contract whereby such item will be effective not over one year to prevent the risk of financial debt in foreign currency.

#### 2.3 Credit Risk

Credit risk is risk which customers or contract partners are unable to pay off debt to the Company group according to agreed conditions when the period is complete. The Company has a credit management policy whereby the Credit Committee is established. The Credit Committee organizes a follow-up meeting every month, analyzes the financial status of every client and specifies the credit limit suitable for buying and selling. The Committee also organizes a meeting with clients and follow-up on credit by analyzing the age of a debtor on a regular basis.

#### 2.4 Liquidity Risk

The Company controls the risk derived from a lack of liquidity by sufficiently maintaining the level of cash and items equivalent to cash for the Company's operation to alleviate the impact caused by fluctuation in cash flow

### 3. Operation Risk

#### 3.1 Risk on human resource management for supporting the future growth

Knowledge and expertise of personnel is essential in the operation of business activities, which is the development of the competence of employees to have the knowledge and ability to work. Including creating a culture for employees to be aware of innovation and technology that play a greater role in driving the organization. The company has therefore continuously improved the human resource management system in accordance with its business strategy.

- Communicate policies and regulations and regulations. To employees always acknowledge
- Facilitates online learning so employees can learn on their own.

#### 3.2 For risk on complete management throughout supply chain

The company considers on risk factors throughout the supply chain started from selling process to material supplying process, production process, management, and delivery process with monitoring through various meetings for evaluating production capacity, technology, internal and external situations for Business Continuity Management (BCM). The company is able to support possible emergency cases in order to avoid any effect against product manufacturing or business operation of the company that may affect to our customers or business.

The company has normal risks from suspension of machines during production process. However, since the company has maintenance management and Preventive Maintenance Plan by defining machine maintenance plan to be efficient with an engineer unit to be responsible for maintenance and improvement of machines to have higher level of capacity and efficiency. Moreover, external and internal trainings are regularly provided to maintenance staffs with evaluation and test on their knowledge and abilities to keep up with technology.

#### 3.3 Risk on Information Technology and Cyber Threats

The company is the entrepreneur of business on plastic card printing and Security Printing/Security Label therefore we highly emphasize on security of customers' data. The company has performed our operations based on Information Security Management System - ISO/IEC27001:2013 on organizational information system security in order to make our customers confident with our business secret protection as well as to control operation of Program/Software whereas our IT Unit will upload programs and check all programs throughout the company in order to prevent violation against unpermitted use of all programs continuously and systematically.

Moreover, changes of business operation model, higher level of technology application in work methods, application of automatic system in factories, production process for improving efficiency, data connection of devices and work sections in factories via internet causes business operation to have some risks on cyber threats, for example, attack against infrastructure used in production process, data theft, products development, and trading information. Therefore, the company establishes e-policy and Cyber Security Plan covering operations and cyber threats, for example, data management and classification, promoting employees to realize and gain knowledge with monthly risk assessment conducted with computer system.

### 4. Compliance Risk

Compliance risks are including risk of non-compliance to both internal and external regulations such as law, rules of local departments or department of industrial works, government policies, the corruption, the Code of Conduct and the activities that affect the reputation or obligation related to third party. The incomplete or non-compliance practices to the regulations which might be changed all the time, may affect to the Company' reputation, the penalization, and the loss of business opportunity. The Company adheres strictly to the law, rules, and regulations by conducts risk assessment as regards non-compliance to law, rules and regulations, and the risk management measures with the appointed persons responsible for closely following the tendency and change in new laws, rules, and regulations, the Company has regular monitoring and review timeframe, to ensure that the Company takes no risk regarding to this matter.

The Company continuously developed the compliance framework to strengthen management and control system starting from the practical process to the follow-up process, to comply with the risk appetite "zero breaches of any laws/pacts.

Additionally, the Company considered the importance of the anti-corruption and creation organization culture. Throughout the year 2019, the Company conducted the various activities to encourage the anti-corruption practices and the communication to all employees' levels such as the training of the Code of Conduct and the anti-corruption, the "Ethics e-testing" under the core values, the Code of Conduct, the anti-corruption policy scopes, and the self-evaluation on the anti-corruption compliance to continuously create awareness, knowledge and the prevention against corruption

## 5. Safety & Health & Environment Risk

As a result of the COVID-19 epidemic situation, the Company has announced measures to prevent the outbreak of COVID-19 and has declared a state of emergency for relevant areas. For other employees to be in their own space with peace of mind via SMS ALL User, as well as scheduling or allocating staff working time in the production department in accordance with the emergency announcement.

The company has implemented the Occupational Health and Safety Management System (OHSAS 18001) and the Occupational Risk Assessment System. Unsafe job description Surveying risk points, danger points (Safety Observation Program) and determining preventive / corrective measures. Follow up on the implementation of safe work practices. Including providing knowledge Regular understanding of employees, business partners and other stakeholders

The company issues 5 sections of TBSP Safety Principles and 7 sections of Life Saving Rules as the guidelines for safety operations of all employees. In addition, the company also reinforces all employees to realize on these rules and principles with punishment for employees who fail to comply with those principles and rules in order to make them adjust their behaviors leading to safety culture throughout the company. Moreover, it also reduces risks on accidents and insecurity caused by operations or work environment, illness, health and hygiene that affects to mental and physical condition of employees and business partners. Therefore, the company highly emphasizes on these principles and rules for preventing risks of those losses





# 05 Company Information

<b>Company's Name</b>	TBSP Public Company Limited
<b>Stock Code</b>	TBSP
<b>Registration No.</b>	0107537002311
<b>Head Office</b>	Poochao - Saming Prai Factory 41/1 Moo 10, Soi Wat Suansom, Poochao - Saming Prai Road, Samrongtai Subdistrict, Phrapradaeng District, Samutprakarn 10130 Tel : 0-2754-2650 Fax : 0-2183-2763
<b>Type of Business</b>	Security Printing
<b>Registered Capital</b>	204,220,357 Baht
<b>Paid-up Capital</b>	204,220,357 Million Baht (One hundred and ten million Baht)
<b>Amount of Shares</b>	
• Common share	204,220,357 shares Par value 1 Baht (One Baht)
• Preferred share	-None-
<b>Registrar</b>	Thailand Securities Depository Company Limited 93 Ratchadapisek Road, Dindaeng Subdistrict, Dindaeng District, Bangkok 10400 Tel : 0 2009-9000 Fax : 0-2099-9991
<b>Auditors of the Company</b>	Auditors of Miss Sureerat Thong-arunsang Certificated Public Account Registration No. 4409 or Miss Thanyalux Keadkeaw Certificated Public Account Registration No. 8179 or Miss Sirinuch Vimonsiri Certificate Public Account Registration No.8413 KPMG Phoomchai Audit Ltd.

**Remarks:**

\* Miss Sureerat Thong-arunsang had been appointed as the company's auditor from 2011-2020 (9 years).

\*\* Miss Thanyalux Keadkeaw had been appointed as the company's auditor from 2017-2020 (3 years).

\*\*\*Miss Sirinuch Vimonsiri had been appointed as the company's auditor from 2020 (1st Year)

According to Notification of SEC, the listed companies are defined to circulate auditors in the event that the former auditor already reviewed/audited and gave opinions on financial statements of the company for 5 consecutive accounting periods. In the event that the former auditor already performed his/her duties for 5 accounting periods, the company will be able to appoint the former auditor as the auditor after 2 consecutive accounting periods minimally.

<b>Legal Advisor</b>	Narit Ruangmethanoparath Synnex (Thailand) Public Company Limited Head Office 433 Sukhonhasawat Road, Lat Phrao, Bangkok 10230 Telephone: +66(0) 2553 8888 Fax: +66(0) 2578 8181
<b>Investor Relations</b>	Investor Relation Department Tel: 0-2784-5888 Fax: 0-2784-5858 E-mail: Investor@tks.co.th

**Details of the Company's subsidiaries**

The company holds more than 50% - 3 companies.

**Thai British DPost Company Limited**

<b>Registered Capital</b>	34 Million Baht
<b>Paid-up Capital</b>	34 Million Baht
<b>Amount of Shares</b>	
• Common share	3,400,000 shares, Par value 10 Baht
• Preferred share	-None-
<b>Ownership Interest</b>	
• Common share	3,400,000 shares or 100%
<b>Head Office</b>	837 Moo 4, Soi 12, Pattana 1 Road, Praksa Subdistrict, Muang District, Samutprakarn 10280 Tel : 0-2709-4201, 0-2709-4214 Fax : 0-2709-4200, 0-2709-4213
<b>Type of Business</b>	Personalized data printing, enveloping and mailing services

**Thai British Security Printing Overseas Company Limited**

<b>Registered Capital</b>	37 Million Baht
<b>Paid-up Capital</b>	37 Million Baht
<b>Amount of Shares</b>	
• Common share	3,700,000 shares, Par value 10 Baht
• Preferred share	-None-
<b>Ownership Interest</b>	
• Common share	3,699,997 shares or 99.99%
<b>Head Office</b>	406/2 Moo 9, Sukhumvit Road, Teparak Subdistrict, Muang District, Samutprakarn 10270 Tel : 0-2380-1320, 0-2380-4188
<b>Type of Business</b>	Holding Company

**T.K.S. Siam Press Management Company Limited**

<b>Registered Capital</b>	300 Million Baht
<b>Paid-up Capital</b>	300 Million Baht
<b>Amount of Shares</b>	
• Common share	30,000,000 shares, Par value 10 Baht
• Preferred share	-None-
<b>Ownership Interest</b>	
• Common share	30,000,000 shares or 100%
<b>Head Office</b>	30/88, Moo 1, Jesadawitee Road, Khok Kham Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000 Tel: 0-2784-5888 Fax: 0-2784-5858
<b>Type of Business</b>	Manufacture and distribute Security Printing, Business Forms, Stock Forms, Digital Print and Warehouse Management of Business Forms

## 06 Shareholders

ลำดับ	รายชื่อ	จำนวนหุ้น	% ของจำนวนหุ้น
1.	T.K.S.Technology Public Company Limited	201,109,677	98.477
2.	Mr.Narong Joonjuasuparek	184,300	0.090
3.	Mom Rajawongse Pridiyathorn Devakula	130,340	0.064
4.	Mr.Phong Sarasin	103,230	0.051
5.	Ms.Benyapa Apichokerungrueng	130,000	0.064
6.	Mr.Wiritpol Rattanaprasatpon	97,900	0.048
7.	Miss Kanoksuree Pongpachanon	98,400	0.048
8.	Mrs. Nualsri Utoktham	80,000	0.039
9.	Mr.Chongangasuk Boonyasirikul	76,000	0.037
10.	CREDIT SUISSE AG, SINGAPORE BRANCH	73,000	0.036

First 10 shareholders as at December 31, 2020

## 07 Dividend Payment Policy

According to the resolution of the Board of Directors meeting number 4/2016 held on 14 November 2016, the dividend payment policy has been stipulated as follows: “The Company has a policy to pay dividend at the minimum rate of 40% of the net profit according to the separate financial statement. However, it also depends on the investment plan, necessity and appropriateness in the future. The subsidiaries to pay dividend according to the operating result whereby the Board of Directors will consider such for presenting at the shareholder meeting for approval.”

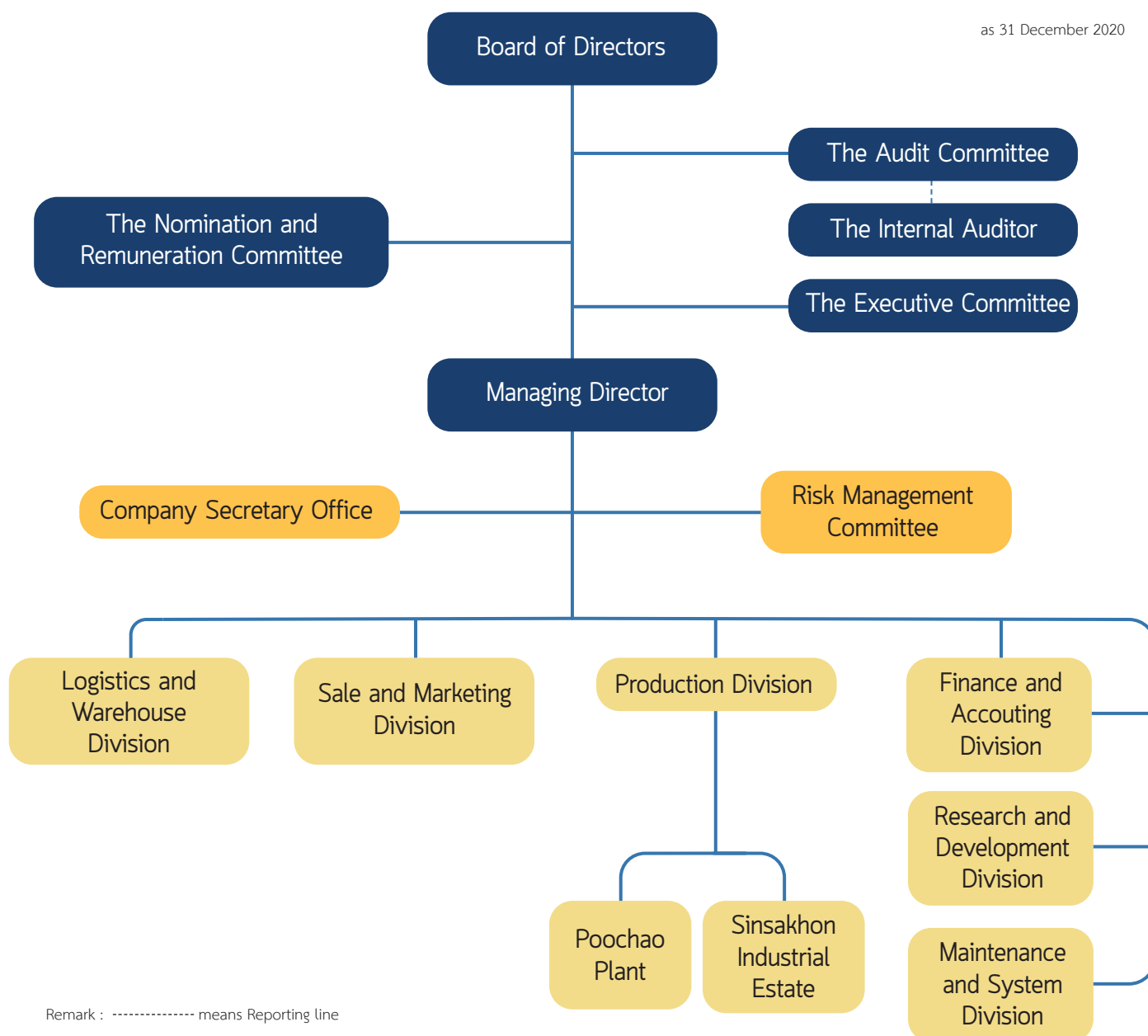
### Dividend Payment

Dividend Payment	2020	2019	2018	2017	2016
1. Net Profit (million baht) – (Separate financial Statement)	(85.62)	159.90	17.20	110.20	84.00
2. No. of share (million share)	204.22	110.00	110.00	110.00	11.00
3. No. of share (million share)	-	1.13*	-	0.70	0.70
3.1 Interim dividend (baht/share)	-	0.68	-	0.15	17.50
3.2 Final dividend (baht/share)	-	0.45	-	0.55	5.25
4. Total amount of dividend payment (million baht)	-	124.30	-	77.00	77.0
5. Dividend payout ratio (%)	-	77.70	-	69.90	69.90

Remark: The dividends for the year 2013-2015 calculated at par value 10 baht per share, for the year 2016-2020 calculated at par value 1 baht per share.

\*Board of Directors Resolved to propose to the Annual General Meeting of Shareholders for the year 2020 to approve the omission of dividend payment for the year 2019 - because the company requires investment for new business development and investment with new factory to support the expansion of the business in the future as well as the operating results do not meet the target.

# 08 Management Structure



## 8.1 Board of Directors

### Composition of the Board of Directors (As at December 31, 2020)

The Board of Directors comprises, knowledgeable and competent persons who are responsible for drawing up corporate policy and collaborating with the top executives in making operating plans, both short-term and long-term, including financial policy, risk management policy, and organizational overview. The Board, which plays an important role in overseeing, monitoring and assessing the performance of the Company and top executives on an independent basis, comprises the following names;

1. Mr. Chaiwat	Utaiwan	Independent Director, Chairman of the Board of Directors
2. Mr. Krit	Umpote	Independent Director, Chairman of the Audit Committee, And Chairman of the Nomination and Remuneration Committee
3. Mr. Pratana	Mongkolkul	Independent Director, Member of the Audit Committee
4. Mr. Khan	Prachuabmoh	Independent Director, Member of the Audit Committee
5. Mr. Richard David	Han	Director
6. Mr. Supant	Mongkolsuthee	Director
7. Miss Sutida	Mongkolsuthee	Director
8. Mr. Jutiphan	Mongkolsuthee	Director, Chairman of the Executive Committee
9. Mr. Parkpoom	Pooudom	Director, Managing Director (Acting)

The names of directors authorized to sign for and on behalf of the Company are any five of two directors, namely, Mr. Chaiwat Utaiwan, Mr. Supant Mongkolsuthee, Miss Sutida Mongkolsuthee, Mr. Jutiphan Mongkolsuthee and Mr. Parkpoom Pooudom. Any two of the authorized directors jointly sign their names together with the affixed seal of the company.

There are 7 non-executive directors.

There is two executive directors, who is the company's Chairman of the Executive Committee and Managing Director (Acting).

The four independent directors are Mr. Chaiwat Utaiwan, Mr. Krit Umpote, Mrs. Pratana Mongkolkul and Mr. Khan Prachuabmoh. The qualifications of the company's independent director are complied with notification of the capital market supervisory. In this regard, the company disclosed the qualification of independent directors on the Annual Report page 38)



## The Sub-Committees

Directors			Audit Committee	Nomination and Remuneration Committee	Executive Committee
1.*	Mr. Chaiwat	Utaiwan	-	-	-
2.	Mr. Supant	Mongkolsuthree	-	Member	-
3.#	Mr. Krit	Umpote	Chairman	Chairman	-
4.#	Mrs. Pratana	Mongkolkul	Member	-	-
5.#	Mr. Khan	Prachuabmoh	Member	-	-
6.	Mr. Richard David	Han	-	-	-
7.	Miss Sutida	Mongkolsuthree	-	Member	-
8.	Mr. Jutiphan	Mongkolsuthree	-	-	Chairman
9.**	Mr. Parkpoom	Pooudom	-	-	Member

**Remark** \*Chairman of the Board of Director \*\*Managing Director (Acting) #Independence Director

## The Attendance of Directors in 2020

(1 January - 31 December 2020)

Directors			The Board of Directors (9 Directors) Total 7 times:year	The Audit Committee (3 Members) Total 7 times:year	The Nomination and Remuneration Committee (3 Members) Total 4 times:year	Executive Committee (3 Members) Total 18 times:year	Independent Directors (3 Members) Total 1 time:year	AGM 2020 (8 Members) Total 1 time:year
1.	Mr. Chaiwat	Utaiwan	7/7	-	-	-	-	1/1
2.	Mr. Krit	Umpote	7/7	7/7	4/4	-	1/1	1/1
3.	Mrs. Pratana	Mongkolkul	6/7	7/7	-	-	1/1	1/1
4.	Mr. Khan	Prachuabmoh*	3/7	4/7	-	-	1/1	-
5.	Mr. Richard David	Han	6/7	-	-	-	-	1/1
6.	Mr. Supant	Mongkolsuthree****	7/7	-	2/4	-	-	1/1
7.	Miss Sutida	Mongkolsuthree	6/7	-	4/4	11/18	-	1/1
8.	Mr. Jutiphan	Mongkolsuthree**	6/7	-	-	7/18	-	1/1
9.	Mr. Parkpoom	Pooudom***	1/7	-	-	2/18	-	-

**Remark** \* Mr.Khan Prachuabmoh was appointed as a director in replace of Mr.Panthep Supachaiyakit, effect from 28 May 2020.

\*\* Mr.Jutiphan Mongkolsuthree was appointed as a director in replace of Mr.Somkid Wekinvattanased, effect from 1 March 2020 also was appointed as a Chairman of The Executive Committee in replace of Miss Sutida Mongkolsuthree, effect from 8 August 2020.

\*\*\* Mr.Parkpoom Pooudom was appointed as a director in replace of Mr.Natapong Pinitpongskul, effect from 1 November 2020

\*\*\*\*Mr.Supant Mongkolsuthree was appointed as a Member of the Nomination and Remuneration Committee in replace of Mr.Panthep Supachaiyakit, effect from 14 May 2020

# The Company's Board of Director

As December 31, 2020 comprised 9 directors as follows:



**Mr. Chaiwat Utaiwan**

Age 67 Years Nationality Thai

Chairman (Independent Director)

## Education

- 1975 Bachelor of Science in Statistics, Faculty of Commerce and Accountancy, Chulalongkorn University
- 1979 Master of Science (Mathematics and Computer Science), University of Louisville, Kentucky, U.S.A
- 1987 Master of Business Administration (Executive), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- 2006 Capital Market Academy Leadership Program, Class 3/2006, Capital Market Academy (CMA)
- 2008 The Joint State-Private Sector Regular Course, Class 20, National Defense College, National Defence Studies Institute
- 2016 Thailand Insurance Leadership Program, Class 6, OIC Advanced Insurance Institute

## Seminar on role and responsibility of director

- Thai Institute of Directors Association
- 2002 Director Certification Program (DCP), Class 18/2002
- 2012 Role of the Chairman Program (RCP)
- 2018 Board that Make a Difference (BMD) 7/2018
- 2018 Board Nomination and Compensation Program (BNCP) 4/2561

## Other seminar

- Capital Market Academy Leadership Program, Class 3/2006, Capital Market Academy (CMA)
- The Joint State-Private Sector Regular Course, Class 20, National Defense College, National Defence Studies Institute
- 2016 Thailand Insurance Leadership Program, Class 6, OIC Advanced Insurance Institute
- Advanced Political and Electoral Development Program : APED XI, Class 8

**Current position in TBSP** Chairman of the Board Directors

**Date of first appointment** March 24, 2016 (4 year 9 Months)

**Date of first appointment** Chairman of the Board Directors April 24, 2019

## Other current positions (Director / Executive)

- Listed company (5 company)
  - Since 2020 Chairman of the Board of Director, Thanasiri Group Public Company Limited
  - Since 2019 Chairman of the Board of Director and Independent Director, Next Capital Public Company Limited
  - Since 2018 Independent Director and Member of Risk Management Committee, Grande Asset Hotels and Property Public Company Limited
  - Since 2018 Advisor of Board Director, TTW Public Company Limited
  - Since 2015 Director and Member of the Executive Committee, CK Power Public Company Limited
- Other Business (Non-listed companies not doing business of similar nature and competing with the Company)

- Since 2020 Chairman, Civil Engineering Public Company Limited
- Since 2019 Chairman of the Board Directors Advance Power Conversion Co.,Ltd
- Since 2018 Director, Welfare of the Faculty of Medicine Chulalongkorn University
- Since 2018 Director-General of the Thai Red Cross Society
- Since 2017 Qualified Director, Faculty of Commerce and Accountancy Thammasart University
- Since 2016 Director, Thai Institute of Directors Association (IOD)
- Since 2015 Advisor of Board Director, Faculty of Commerce and Accountancy Chulalongkorn University
- Since 2015 Qualified Director, King Rama II Memorial Foundation
- Holding directorship in other incorporation doing business of similar nature and competing with the Company – None

## Experiences

- 2014 - 2018 Chairman of the Board of Directors, Islamic Bank of Thailand
- 2011 - 2018 Chairman of the Board of Directors, Suvarnabhumi Airport Hotel Company Limited
- 2014 - 2018 Director and Member of the Executive Committee, Member of the Corporate Governance Committee, Member of the Risk Management Committee, and Managing Director, TTW Public Company Limited
- 2014 - 2018 Managing Director, Pathum Thaniwater Company Limited
- 2011 - 2014 Director, Member of the Executive Committee, Member of Risk Management Committee and Managing Director, Bangkok Metro Public Company Limited
- 2011 - 2012 Vice President, Bangkok Metro Networks Limited
- 2011 - 2012 Director and Member of the Executive Committee, Government Savings Bank
- 2007 - 2011 President and Chief Executive Officer, Siam City Bank Public Company Limited
- 2006 - 2007 Chief Executive Officer (CEO) and Chairman of the Executive Committee, AIG Retail (Thailand) Public Company Limited
- 2001 - 2006 Chief Executive Officer (CEO) and President, AIG Finance Bank Public Company Limited

## Attendance

- Board of Directors Meetings: 7 times, attended 7 times
- Independent Directors Meetings: 1 times, attended 1 times

**Number of shares held** : 50,000 shares (equivalent to 0.024%)

## Forbidden qualification

- No record of committing an act of dishonesty against property.
- No record of entering into any transaction which may cause conflict of interest against the Company
- Holding directorship in other incorporation doing business of similar nature and competing with the Company – None





### Mr. Krit Umpote

Age 80 Years Nationality Thai

Chairman of the Audit Committee  
and Chairman of the Nomination  
and Remuneration Committee  
(Independent Director)

#### Education

- 1965 Bachelor of Business Administration (Commerce), Thammasat University
- 1966 Bachelor of Business Administration (Accounting), Thammasat University
- 1969 Master of Public Administration,  
National Institute of Development Administration (NIDA)
- 1975 M.S.B.A., Indiana University, U.S.A.
- 1994 Strategic Human Resource Management, Harvard Business School
- 1996 Advanced Management Program, Harvard Business School

#### Seminar on role and responsibility of director

Thai Institute of Directors Association

- 2014 IOD Chartered Director
- 2010 Advanced Audit Committee Program (AAP) 3/2010
- 2000 Director Certification Program (DCP) 2000

**Current position in TBSP** Chairman of the Audit Committee  
and Chairman of the Nomination and  
Remuneration Committee (Independent Director)

**Date of first appointment** October 9, 1995 (25 Years 2 Months)

#### Other current positions (Director / Executive)

- Listed company (2 company)
  - Since 2020 Independent Director and Chairman of the Board of Director,  
Micro Leasing Public Company Limited
  - Since 2015 Independent Director, Thiensurat Public Company Limited
- Other Business (Non-listed companies not doing business of similar nature  
and competing with the Company) ) 1 Company
  - Since 2000 Facilitator in Resident, Thai institute of Directors Association
- Holding directorship in other incorporation doing business of similar nature  
and competing with the Company – None

#### Experiences

- 2000 - 2011 Vice President for Training and Development,  
Dhurakij Pundit University
- 1999 - 2001 Chairman, Krung Thai Asset Management Company Limited
- 1996 - 2000 Senior Executive Vice President Krung Thai Bank Public  
Company Limited

#### Attendance

- Board of Directors Meetings: 7 times, attended 7 times
- Audit Committee Meetings: 7 times, attended 7 times
- Nomination and Remuneration Committee Meetings: 4 times, attended 4 times
- Independent Directors Meetings: 1 times, attended 1 times

**Number of shares held :** None

#### Forbidden qualification

- No record of committing an act of dishonesty against property.
- No record of entering into any transaction which may cause conflict of  
interest against the Company.



### Mrs. Pratana Mongkolkul

Age 55 years Nationality Thai

Member of the Audit Committee  
(Independent Director)

#### Education

- Bachelor Degree in Accounting , Thammasat University
- Master Degree in Business Administration, Thammasat University

#### Seminar on role and responsibility of director

Thai Institute of Directors Association

- Director Accreditation Program (DAP) Class 2/2003
- Director Certification Program (DCP) Class 34/2003
- Advanced Audit Committee Program (Advanced ACP) Class 22/2016
- Risk Management Program for Corporate Leaders (RCL) Class 8/2017

#### Other seminar

- Director Diploma Examination, The Australian Institute of Directors Association
- Chief Financial Officer Certificate Program 1/2004,  
Institute of Certified Accounting and Auditors of Thailand
- Capital Market Academy Leader Program 6/2008, Capital Market Academy
- Advanced Management Program 180 Harvard Business School
- Thai Intelligent Investors 1/2012, Thai investors Association
- Public Director Certification Program Class 13/2015
- Advanced Certificate Course in Politics and Governance in Democratic  
Systems for Executives Rationale 20/2016 King Prajadhipok's Institute

**Current position in TBSP** Member of the Audit Committee  
(Independent Director)

**Date of first appointment** April 24, 2019 (1 Years 6 months)

#### Other current positions (Director / Executive)

- Listed companies (3 company)
  - Since 2020 Independent Director/Audit Committee/Remuneration  
Committee/Nomination Committee Total Access  
Communication Public Company Limited
  - Since 2019 Independent Director/Chairman of Audit Committee  
Central Retail Corporation Public Company Limited
  - Since 2017 Director/Chairman of Audit Committee Rojukkiss International  
Public Company Limited
  - Since 2015 Independent Director/Chairman of Risk Management  
Committee/Nomination and Remuneration Committee/Good  
Corporate Governance Committee FN Factory Outlet Public  
Company Limited

- Other Business (Non-listed companies not doing business of similar nature  
and competing with the Company)

- Since 2015 Director, Secretary and Treasurer Mongkolkulwittaya School  
Foundation
- Since 2014 Associate Judge # 10, 13 The Central Intellectual Property  
and International Trade Court (Thailand)
- Since 2013 Present Director, Secretary and  
Treasurer Dr. Kamchad – Pranee Mongkolkul Foundation
- Since 2011 Chairman Boutique Consulting Group Limited
- Since 2010 Councilor/Lecturer Thailand Management Association
- Since 2003 Graduated Member/Lecturer  
Thai Institute of Director Association

- Holding directorship in other incorporation doing business of similar nature  
and competing with the Company – None

#### Experiences

- 2017 – 2020 Director/Executive Board Committee/Strategy and  
Transformation Committee/Human Resources Committee  
Thai Airways International Public Company Limited
- 2018 – 2019 Board of Trustees/Audit Committee and Risk Management  
Dhurakij Pundit University
- 2013 – 2019 Independent Director/Audit Committee/Chairman of Financial  
Risk Committee T.K.S. Technologies Public Company Limited
- 2015 – 2019 Director/Chairman of Audit Committee/Subcommittee on  
Investment Scrutiny and Investment Budget Disbursement  
Acceleration Thailand Post Company Limited
- 2014 – 2018 Member of Board Commissioners/Chairman of Audit  
Committee/Chairman of Asset Transformation Committee/  
Document Consideration Committee/Corporate Governance  
and Corporate Social Responsibility Committee Port  
Authority of Thailand
- 2015 – 2017 Director/Executive Committee/Risk Management Committee/  
Corporate Governance and Corporate Social Responsibility  
Committee Government Saving Bank
- 2014 – 2017 Independent Director/Executive Committee  
Dusit Thani Public Company Limited
- 2012 – 2015 Director/Chairman of Executive Committee  
MC Group Public Company Limited
- 1998 – 2011 Director  
Minor International Public Company Limited  
Minor Corporation Public Company Limited  
The Minor Food Group Public Company Limited  
Rajadamri Hotel Public Company Limited
- 1998 – 2011 Director  
Subsidiaries of Minor Group of Companies such as Minor Hotel  
Group Limited (former Royal Garden Hotel Management  
Limited), Royal Garden Development Limited, MSpa  
International Limited Etc.
- 2008 – 2011 Director Thai Listed Companies Association

- 2007 – 2011 Independent Director/Chairman of Audit Committee Thoresen Thai Agencies Public Company Limited
- 2007 – 2011 Director S&P Syndicate Public Company Limited
- 2011 President Thai Investor Relations Club

#### Attendance

- Board of Directors Meetings: 8 times, attended 6 times
- Audit Committee Meetings: 7 times, attended 7 times



### Mr. Khan Prachuabmoh

Age 66 Years Nationality Thai

Independent Director and  
Member of the Audit Committee

#### Education

- Honorary Doctorate Degree in Business Administration (Finance), Rajamangala University of Technology Thanyaburi (academic year 2014)
- M.A.HONOURS, ECONOMICS AND POLITICAL SCIENCES UNIVERSITY OF DUNDEE, SCOTLAND, UNITED KINGDOM
- Diploma Program, Class 8, National Defense College Institute of National Defense
- Senior Executives of Justice Administration Program, Class 13, College of Justice Judicial Service Development Institute

#### Seminar on role and Responsibility of Director

- Thai Institute of Directors Association
- 2562 Advanced Audit Committee Program (AAP) รุ่น 28/2018
- 2558 Director Certificate Program (DCP) รุ่น 209/2015

#### Others Seminars

- Top Executive Program in Energy Science, Class 6, Energy Academy
- Course “Top Executives in Urban Development Management” (Mahanakorn Class 1) by Bangkok Urban Development Institute In collaboration with King Prajadhipok’s Institute
- Special edition “Corporate Governance for Directors and Top Executives of State Enterprises and Public Organizations”, by King Prajadhipok’s Institute State Enterprise Policy Office And the Office of the Public Sector Development Commission
- Executive Program Capital Market Academy (CMA), Class 6

**Current position in TBSP** : Independent Director and Member of the Audit Committee

**Date of first appointment** 28 May 2020 (7 Months)

#### Other current positions (Director / Executive)

- Listed companies (2 Company)
  - Since 2020 Advisor and Chairman of the Corporate Governance Committee, T.K.S.Technologies Public Company Limited
  - Since 2018 Director, Chuo Senko (Thailand) Public Company Limited

- Independent Directors Meetings: 1 times, attended 1 times

**Number of shares held** : None

#### Forbidden qualification:

- No record of committing an act of dishonesty against property.
- No record of entering into any transaction which may cause conflict of interest against the Company.

- Other Business (Non-listed companies not doing business of similar nature and competing with the Company)
  - Since 2017 Chairman, Inter Prime Media Company Limited
  - Since 2016 President of the Foundation for the Blind in Thailand in the royal patronage
  - Since 2015 Chairman of the Audit Committee ASL Securities Company Limited
  - Since 2010 Director, National Credit Information Company Limited
  - Since 2010 Advisor to St. Gabriel’s Alumni Association
  - Since 2010 Executive Committee Professor Pakorn Foundation Angsusing the patronage
- Holding directorship in other incorporation doing business of similar nature and competing with the Company - None

#### Experiences

- 2016 - 2020 Chairman of the Corporate Governance and Social Responsibility Committee, TKS Technology Public Company Limited
- 2017 Chairman, Vending Corporation Company Limited
- 2016 - 2020 Chairman of the Audit Committee, AJ Advance Technology Public Company Limited
- 2016 - 2020 Company director and Chairman of Risk Management Committee, TVD Shopping Company Limited
- 2014 - 2017 Chairman of the Board of Directors and Chairman of the Audit Committee of JP World Trade Public Company Limited
- 2013 - 2016 Chairman of Risk Management Committee, T.K.S. Technology Public Company Limited
- 2013 - 2016 Chairman of the Integrated Waste Management Committee of Bangkok
- 2013 - 2016 Expert advisor for the Bangkok Governor
- 2011 - 2016 Director, Bangkok Maha Thanakorn Company Limited
- 2011 - 2014 Honorary Member of the University Council (Budgeting and Finance) Rajamangala University of Technology Thanyaburi
- 2011 - 2014 Advisor to Deputy Prime Minister (Mr.Trairong Suwankiri)

#### Attendance

- Board of Directors Meeting 7 times, attended 3 times (Appointment from the position of the Independent Director, effective from 28 May 2020)
- Audit Committee Meeting 7 times, attended 4 times (Appointment from the position of Member of the Audit Committee, effective from 28 May 2020)

**Number of shares held** : None

#### Forbidden qualification

- No record of committing an act of dishonesty against property.
- No record of entering into any transaction which may cause conflict of interest against the Company.



### Mr. Richard David Han

Age 64 Years Nationality Dutch

Director

#### Education

- 1980 B.A. (Business Administration), Westminster University, London, United Kingdom
- 1981 M.B.A. (Marketing), City University, London, United Kingdom

#### Seminar on role and responsibility of director

- Thai Institute of Directors Association
- 2006 Director Accreditation Program (DAP) 57/2006
- 2006 Understanding the Fundamental of Financial Statements (UFS) 4/2006

**Current position in TBSP** Director

**Date of first appointment** August 21, 1998 (22 Years 4 Months)

#### Other current positions (Director / Executive)

- Listed companies (1 company)
  - Since 1989 Executive Vice Chairman & Chief Executive Officer, Hana Microelectronics Public Company Limited
- Other Business (Non-listed companies not doing business of similar nature and competing with the Company) – None
- Holding directorship in other incorporation doing business of similar nature and competing with the Company – None

#### Experiences

- 1982-1989 Founder & Managing Director, Hana (U.K.)

#### Attendance

- Board of Directors Meetings: 7 times, attended 6 times

**Number of shares held** : None

#### Forbidden qualification

- No record of committing an act of dishonesty against property.
- No record of entering into any transaction which may cause conflict of interest against the Company.





**Mr. Suphan Mongkolsuthee**

Age 62 Years Nationality Thai

Director

#### Education

- Bachelor of General Management, Sukhothai Thammathirat University
- Master of Public Administration, Chulalongkorn University
- Master of Business Administration, City University, U.S.A.
- Honorary Doctorate of Economics, Ramkhamhaeng University

#### Seminar on role and responsibility of director

- Thai Institute of Directors Association
- Certificate Program of "Director Certification Program" (DCP), Thai Institute of Directors (IOD), Class 52 in B.E. 2004
- Certificate Program of "Director Accreditation Program" (DAP), Thai Institute of Directors (IOD), Class 12 in B.E. 2004

#### Other seminar

- Certificate Program of National Institute of Defense Studies (NIDS), National Defense College (NDC), Class 16 in B.E. 2002
- Certificate Program of "Director Certification Program" (DCP), Thai Institute of Directors (IOD), Class 52 in B.E. 2004
- Certificate Program of "Director Accreditation Program" (DAP), Thai Institute of Directors (IOD), Class 12 in B.E. 2004
- Certificate Program of "NIDA - Wharton Executive Leadership Program", University of Pennsylvania in 2005
- Certificate Program of Senior Executive Development Program, Capital Market Academy (CMA), Class 3 in B.E. 2006
- Certificate Program of Management for Directors and Senior Executives in State Enterprises and Public Organizations, Special Class in B.E. 2009
- Certificate Program of Senior Executives in Justice Administration (SEJA) Program, Class 14 in B.E. 2010
- Certificate Program of Senior Executive Development Program in Bangkok Metropolitan Administration (BMA 1) Program, Urban Green Development in B.E. 2011
- Certificate Executive Program on Energy Literacy for a Sustainable Future (TEA), Class 5 (2014), Thailand Energy Academy
- Course "The Rule of Law and Democracy" Class 3 in B.E. 2015 Institute of Constitution Studies, The Constitutional Court of the Kingdom of Thailand

**Current position in TBSP** Director and Member of the Nomination and Remuneration Committee

**Date of first appointment** August 8, 2019 (1 Years 4 Months)

#### Other current positions (Director / Executive)

- Listed companies (2 company)
- Since 2020 - Present : Chairman of the Operations Risk Management Committee - Synnex (Thailand) Public Company Limited

- Since 2019 - Present : Director/Member of the Nomination and Remuneration Committee/Member of the Risk Management Committee/Chairman of the Executive Committee - T.K.S. Technologies Public Company Limited
- Since 2014 - Present : Chairman - Synnex (Thailand) Public Company Limited
- Other Business (Non-listed companies not doing business of similar nature and competing with the Company) - None
- Since 2019 - Present : Chairman - Export - Import Bank of Thailand
- Since 2018 - Present : Chairman - The Federation of Thai Industries (F.T.I.)
- Since 2018 - Present : Chairman - Private Joint Committee of 3 Institutions (ERC)
- Since 2018 - Present : Member - Future Economy and Internet Governance
- Since 2016 - Present : Chairman - Choonhavan Institute for Sustainable SMEs Development
- Since 2015 - Present : Member - Rattana Bundit University
- Since 2015 - Present : Member - The SUPPORT Arts and Crafts International Centre of Thailand
- Since 2014 - Present : RMUTL Council of Honorary Members - Rajamangala University of Technology Isan Council
- Since 2008 - Present : Chairman of Activity Promotion Committee/ Council Director - Royal Police Cadet Academy

#### Experiences

- 2014 - 2019 : Member of the National Legislative Assembly -The National Legislative Assembly
- 2016 - 2018 : Director and Chairman of the Investment Management Committee - EGAT International Company Limited
- 2016 - 2017 : Chairman - The Federation of Thai Industries (F.T.I.)
- 2014 - 2017 : Member - Member of the Board of Investment
- 2014 - 2017 : Director/Chairman of the Corporate Governance and Social Responsibility Corporation - Krung Thai Bank PCL.
- 2012 - 2017 : Member - Cultural Promotion Fund Committee, Department of Cultural Promotion
- 2008 - 2017 : Director/Editor - Chulalongkorn University Alumni Association
- 2006 - 2017 : Advisor to Chairman - Thai Listed Companies Association
- 2005 - 2017 : Advisor - Thai Printing Association
- 2014 - 2016 : Chairman - The Federation of Thai Industries (F.T.I.)
- 2014 - 2016 : Honorary Member - National Defense College (NDC)

#### Attendance

- Board of Directors Meetings: 9 times, attended 3 times (Appointed as the company's director on September 8th, 2019)

**Number of shares held** : None

#### Forbidden qualification:

- No record of committing an act of dishonesty against property.
- No record of entering into any transaction which may cause conflict of interest against the Company.



**Miss Sutida Mongkolsuthree**

Age 38 Years Nationality Thai

Director and Member of the Nomination and Remuneration Committee

#### Education

- 2004 Bachelor of Accounting, Finance and Banking (2nd Class Honor) Chulalongkorn University
- 2008 Master of Science in International Management, Queen Mary, University of London, United Kingdom

#### Seminar on role and responsibility of director

- Thai Institute of Directors Association
- 2009 Company Secretary Program (CSP)
- 2017 Director Certification Program (DCP) 233/2017 Thai Listed Companies Association
- 2009 Fundamental Practice for Corporate Secretary (FPCS)
- 2011 TLCA Executive Development Program (EDP), 7th Session

#### Other seminar

- 2016 - Certification of New Democratic Leadership Program, King Prajadhipok Institute
- 2016 - Certification of Academy of Business Creativity program, Sripatum University
- 2016 - Certification of Young Federation of Thai Industries program (Young F.T.I.) Elite #1, The Federation of Thai Industries

**Current position in TBSP** Director and Member of the Nomination and Remuneration Committee

**Date of first appointment** July 30, 2013 (7 Years 5 Months)

#### Other current positions (Director / Executive)

- Listed companies (3 company)
- Since 2020 : Director, T.K.S. Technologies Public Company Limited
- Since 2020 : Director, Next Capital Public Company Limited
- Since 2015 : Board of Governance Committee, Operational Risk Committee, Legal Risk Management Committee, and Corporate Communication and Corporate Image Committee, Synnex (Thailand ) Public Company Limited
- Since 2014 : Chief Executive Officer (CEO) Synnex (Thailand) Public Company Limited
- Other Business (Non-listed companies not doing business of similar nature and competing with the Company) - None
- Holding directorship in other incorporation doing business of similar nature and competing with the Company - None

**Experiences**

- 2004 - 2006 : Management Trainee (Securities Analyst), UOB Kay Hian Securities (Thailand) Public Company Limited
- 2009 - 2012 : Corporate Secretary, Synnex (Thailand) Public Company Limited
- 2012 - 2013 : Finance Department Manager & Corporate Secretary Synnex (Thailand) Public Company Limited
- 2013 - 2014 : Chief Financial Officer (CFO) & Corporate Secretary, Synnex (Thailand) Public Company Limited
- 2013 - 2015 : Member of Financial Risk Committee, Synnex (Thailand) Public Company Limited

**Attendance**

- Board of Directors Meetings: 7 times, attended 6 times
- Nomination and Remuneration Committee Meetings: 4 times, attended 4 times
- The Executive Committee: 18 times, 11 times (Resignation from the position of the Chairman of the Executive Committee, effective from 7 August 2020)

**Number of shares held :** 10,000 shares (equivalent to 0.004%)

**Forbidden qualification**

- No record of committing an act of dishonesty against property.
- No record of entering into any transaction which may cause conflict of interest against the Company.



**Mr. Jutiphan Mongkolsuthree**

Age 38 Years Nationality Thai

Director and Chairman of the Executive Committee

**Education**

- Bachelor of Computer Science, Purdue University, USA
- Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- MBA Exchange Program at University of North Carolina, U.S.A.

**Seminar on role and responsibility of director**

Thai Institute of Directors Association

- 2017 Director Certification Program (DCP) 247/2017

**Other seminar**

- Certificate III Print and Graphics Arts (Lithography Printing)
- Diploma in Young F.T.I. Legend, Class no.2, The Federation of Thai industries
- Academy of business Creativity, Sripatum University

**Current position in TBSP** Director and Chairman of the Executive committee

**Date of first appointment** March 1, 2020 (10 Months)

**Other current positions (Director / Executive)**

- Listed companies (3 company)
  - Since 2020 : Director and Managing Director, T.K.S. Technologies Public Company Limited
- Other Business (Non-listed companies not doing business of similar nature and competing with the Company)
  - 2018 - Present Director and Managing Director, Gofive Co.,Ltd
  - 2016 - Present Director, Prism Solution Co.,Ltd.
- Holding directorship in other incorporation doing business of similar nature and competing with the Company - None

**Experiences**

- 2016 - 2018 Director, Institute of Information and Communication Technology for Industries
- 2016 - 2018 Managing Director, Prism Solutions Co., Ltd.
- 2012 - 2016 Information Technology Manager, T.K.S. Technologies Public Company Limited
- 2008 - 2011 Chief of System Development, T.K.S. Technologies Public Company Limited

**Attendance**

- Board of Directors Meetings: 7 times, attended 6 times
- The Executive Committee: 18 times, 7 times (Appointment from the position of the Chairman of the Executive Committee, effective from 7 August 2020)

**Number of shares held :** None

**Forbidden qualification:**

- No record of committing an act of dishonesty against property.
- No record of entering into any transaction which may cause conflict of interest against the Company.



**Mr. Parkpoom Pooudom**

Age 56 Years Nationality Thai

Director and Managing Director (Acting)

**Education**

- Bachelor of Political Science, Ramkhamhaeng University

**Seminar on role and responsibility of director**

Thai Institute of Directors Association - None -

**Other seminar**

- TLCA Executive Development Program 9
- Executive Energy Program 2015 (EEP1)

**Current position in TBSP** Director and Managing Director (Acting)

**Date of first appointment** November 1, 2020 (2 Months)

**Other current positions (Director / Executive)**

- Listed companies - None

- Holding directorship in other incorporation doing business of similar nature and competing with the Company
  - 2012 - Present Vice President of the Federation, The Federation of Samut Sakhon Industry

**Experiences**

- 2014 - 2020 Duty Managing Director, T.K.S. Technologies Public Company Limited
- 2010 - 2014 Duty Managing Director-Digital Printing & Administration, T.K.S. Technologies Public Company Limited
- 2005 - 2010 Deputy Managing Director-Production, T.K.S. Technologies Public Company Limited
- 1994 - 2005 Factory Department Manager, T.K.S. Technologies Public Company Limited
- 1992 - 1994 Human Resources Manager, Chiang Mai Cable TV Co.,Ltd.
- 1988 - 1992 Personnel Division Manager, Welco Department Store Co.,Ltd.

**Attendance**

- Board of Directors Meetings: 7 times, attended 1 times (Appointed from the position Director, effective from 1 November 2020)
- The Executive Committee: 18 times, 2 times (Appointed from the position Managing Director (Acting), effective from 1 November 2020)

**Number of shares held :** None

**Forbidden qualification:**

- No record of committing an act of dishonesty against property.
- No record of entering into any transaction which may cause conflict of interest against the Company.



## Report on Changes in Securities Holding of Directors

(as at December 31, 2020)

No	Director		Ordinary Shares (Shares)		
			Own	Spouse or Monor children	Increase (Decrease) during Jan.-Dec.2020
1.	Mr. Chaiwat	Utaiwan	50,000	-	-
2.	Mr. Krit	Umpote	-	-	-
3.	Mrs. Pratana	Mongkolkul	-	-	-
4.	Mr. Khan	Prachuabmoh	-	-	-
5.	Mr. Richard David	Han	-	-	-
6.	Mr. Supant	Mongkolsuthree	-	-	-
7.	Miss Sutida	Mongkolsuthree	10,000	-	-
8.	Mr. Jutiphan	Mongkolsuthree	-	-	-
9.	Mr. Parkpoom	Pooudom	-	-	-

**Remark:** The company has the registered capital 204,220,357.00 Baht, paid up capital 204,220,357.00 Baht and total of 204,220,357 ordinary shares. As at December, 31 2020.

The company has par value 1 Baht per share.

# The Company's Board of Director

As February 1, 2021 comprised 6 directors as follows:



**Mr. Parkpoom Pooudom**

Director and Managing Director (Acting)

**Age** 56 Years

**Position** Director and Managing Director (Acting)

## Education

- Bachelor of Political Science, Ramkhamhaeng University

## Experiences

- 2014 - 2020 Deputy Managing Director, T.K.S. Technologies Public Company Limited
- 2010 - 2014 Duty Managing Director-Digital Printing & Administration, T.K.S. Technologies Public Company Limited
- 2005 - 2010 Deputy Managing Director-Production, T.K.S. Technologies Public Company Limited
- 1994 - 2005 Factory Department Manager, T.K.S. Technologies Public Company Limited
- 1992 - 1994 Human Resources Manager, Chiang Mai Cable TV Co., Ltd.
- 1988 - 1992 Personnel Division Manager, Welco Department Store Co., Ltd.

Number of shares held : None



**Mr. Wichai Arjinajarn**

Digital and Project Director

**Age** 59 Years

**Position** Digital and Project Director

## Education

- Bachelor of Marketing Program, ajamangala University of Technology Tawan-Ok: Chakrabongse Bhuvanarth Campus

## Other seminar

- Mini MBA 'Advance IT CEO' Chulalongkorn University
- TLCA Executive Development Program 9
- Executive Development Program (EDP), Thai Listed Companies Association

## Experiences

- 2010 - 2020 Sales Project and Packaging Director
- 2009 - 2010 Sale Department Manager, T.K.S. Technologies Pcl.
- 2003 - 2009 General Manager, A.Wattanachai Frozen Product Co., Ltd.
- 1995 - 2003 Sale Department Manager, T.K.S. Technologies Pcl.
- 1991 - 1995 Senior Officer of Sales and Marketing, STC Computer Co., Ltd.
- 1987 - 1991 Officer of Credit Card Section, Kasikornbank Pcl.

Number of shares held : None





Miss Nasarun Salinchan

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**Age** 57 Years

**Education**

- 1994 Master's Degree Program in Marketing, Thammasat University
- 2014 Management Development Program, Wharton School University of Pennsylvania

**Experiences**

- 1996 Brand Manager, Pharmaceutical Division Diethelm Co., Ltd\*
- 2003 Asst. Business Development Manager Thai President Foods Public Company Limited.
- 2005 Marketing Division Manager T.C. Union Global Public Company Limited

Remark: \*Recently changed the company's name to DKSH (Thailand) Company Limited

**Number of shares held :** 1,000 shares



Songsak Chayavanich

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**Age** 59 Years

**Education**

- 1996 Bachelor of Engineering, Production Engineering, KMUTNB, 2nd class Honors
- 2002 Master of Engineering, Industrial Engineering, Texas A&M University
- 2012 Master of Business Administration, Executive MBA, Chulalongkorn University

**Other seminar**

- Six Sigma Master Black Belt
- Lean Master
- Advance Internet of Things, Machine Learning and Deep Learning, Artificial Intelligence for Manufacturing

**Experiences**

- 2005 – 2006 Production Department Manager, Summit Auto Seats Industry Co., Ltd.
- 2007 – 2016 Senior Engineering Manager, Seagate Technology (Thailand) Ltd.

**Number of shares held :** None



## Mis Saisamorn Artpaksa

Chief Financial Officer (Acting)

Age 44 Years

### Education

- Bachelor of Business (Accounting), Saint John's University
- Master (MBA) Finance and Banking, Ramkhamhaeng University

### Other seminar

- Federation of Accounting Professions
- หลักสูตรประเด็นปัญหาการข้อมูลทางบัญชี และการเงินก่อนการนำเสนองบการเงินปี 2562
- หลักสูตรมาตรฐานการบัญชี มาตรฐานการรายงานทางการเงิน การเปลี่ยนแปลงและผลกระทบที่สำคัญ
- DHARMNITI
- 105 ประเด็นภาษี เพื่อการปิดบัญชีอย่างถูกต้อง
- Manufacturing cost
- The Stock Exchange of Thailand
- CFO's Orientation for New IPOs (Class 5)

### Experiences

- 2019 - 2020 Chief Financial Officer, T.K.S.Technologies PCL
- 2014 - 2019 Accounting Manager, Synnex (Thailand) PCL
- 2011 - 2014 Finance Manager, Performance Motor (Thailand) PCL
- 2004 - 2011 Accounting Section Manager, Synnex (Thailand) PCL
- 1998 - 2004 Financial Supervisor, Digiland (Thailand) Co.,Ltd.

Number of shares held : None

## Report on Changes in Securities Holding of Directors

(as at December 31, 2020)

No	Director	Ordinary Shares (Shares)		
		Own	Spouse or Monor children	Increase (Decrease) during Jan.-Dec.2020
1.	Mr. Parkpoom Pooudom	-	-	-
2.	Mr. Wichai Arjinajarn	-	-	-
3.	Miss Nasarun Salinchan	1,000	-	-
4.	Mr. Songsak Chayavanich	-	-	-
5.	Miss Saisamorn Atpaksa	-	-	-

**Remark:** 1. The company has the registered capital 204,220,357.00 Baht, paid up capital 204,220,357.00 Baht and total of 204,220,357 ordinary shares.  
 2. Notification of the Capital Market, Torchor.23/008 regarding the definition of “executives” mean the manager or persons holding management positions with four counts of first-downmanager who held the rank equivalent to the four.

## Profile of Internal Audit Overseer

### Miss Natthima Phodaeng

59 years

Date of first appointment 2003

#### Education

- Master of Public Administration Program, National Institute of Development Administration
- Bachelor of Business Administration – Accounting, Ramkhamhaeng University

#### Training

- Internal Auditors of Thailand Certificate Course (CPIAT)
- Personal Information Protection Act B.E. 2562 (2019) in Processes and Practical Guidelines Course, Class 3
- FSSC 22000 System Audit (Version 5), GMP&HACCP (Version 4)
- Mini MBA “ Advance IT CEO”, Chulalongkorn University
- Internal Audit Operation Course 1 and 2
- Operation of the Audit Committee’s Secretary
- Business Continuity Management Audit (ISO 22301 : 2012)
- Software Development System Audit (ISO 29110 : 2018)
- Information Security System Audit (ISO 27001: 2013)
- Business Continuity Management System Audit (ISO 22301: 2013)
- Quality Management System Lecturer Development Training (ISO 9001: 2015)

#### Experiences

- 2007 - Present Internal Audit Division Manager, T.K.S. Technology Public Company Limited
- 2007 - 1997 Internal Audit Section Manager, T.K.S. Technology Public Company Limited
- 1997 - 1990 Head of Internal Audit, T.K.S. Inter Printing Company Limited

## 8.3 The Company Secretary

The board appointed Miss Thitaree Thanametinattawut as the secretary to the board of directors and the company secretary responsible for providing advice to the board regarding the performance of duties in compliance with the law, rules, regulations, and the corporate governance policy and for organizing the meetings of the board, committees, and shareholders. She is also in charge of preparing the minutes of the board's meetings, the minutes of shareholder's meetings and annual report as well as filing documents as stipulated by law.

### Miss Thitaree Thanametinattawut

Age 35 Years

#### Seminar (IOD) :

- Company Secretary Program (CSP) 2018
- Company Reporting Program (CRP) 2019
- CG Checklist 2020
- AGM Checklist 2020

#### Education :

- 2556 Master of Event Management Swiss Hotel Management School
- 2551 Bachelor of Humanities (English) Bangkok University

#### Experiences :

- Mar. 2019 – Jun 2020 Starflex Public Company Limited  
- Company Secretary
- Aug. 2018 – Mar. 2019 Premier Tank Corporation Public Company Limited  
- Company Secretary
- Aug 2016 – Aug. 2018 T.T.S.Engineering (2004) Co.,Ltd.  
- Chief of Administration
- Feb. 2016 – Aug. 2016 Chularat Hospital Group Public Company Limited  
- Executive Secretary to Deputy Managing Director and CFO
- Jun. 2013 – Feb. 2016 Thainakarin Hospital Public Company Limited  
- Executive Secretary  
- Secretary to Executive Committee

#### Other Current Position :

- Oct. 2020 – Present TBSP Public Company Limited  
- Company Secretary
- Oct. 2020 – Present T.K.S.Technology Public Company Limited  
- Company Secretary

## 8.4 The Remuneration of Directors and Management Executives

The company assesses the remuneration of the Board of Directors and the executives by comparing with the reference information of other listed companies in the similar industry and business category as well as considering the company's business condition and performance and propose the remuneration of the Board of Directors to the shareholder's meeting for approval. The remuneration of the top executive is proposed to th

### Directors' Remuneration

The 2020 Annual General Meeting of Shareholders held on May 28, 2020 approved the directors' remuneration, details were as follows

Attendance Fee	Annual Remuneration
<ul style="list-style-type: none"> <li>• Chairman: 40,000 Baht per meeting</li> </ul>	Should there be profit in any fiscal year, the annual remuneration payable to Directors shall be 2 percent of net profit of such fiscal year which shall be distributed among the Directors in such manner as they may themselves determine.
<ul style="list-style-type: none"> <li>• Director: 20,000 Baht per meeting</li> </ul>	



## Sub-Committees' Remuneration

The 2019 Annual General Meeting of Shareholders held on April 24, 2019 approved the remuneration of the Audit Committee, the Nomination and Remuneration Committee and the Executive Committee according to their actual numbers of meeting attended, The remuneration for members of the Executive Committee will be paid to the members who are not the Company's executives, details were as follows:

Sub-committees	Position	Attendance fee (Baht/Person/Time)
The Audit Committee	Chairman	30,000
	Director	20,000
The Nomination and Remuneration Committee	Chairman	30,000
	Director	20,000
The Executive Committee	Chairman	30,000
	Director	20,000

## Remuneration of the Board of Directors and Sub-Committees for the year 2020

For the fiscal year ended December 31, 2020, the attendance fee of the Board of Directors of 820,000 Baht along with the sub-committees' remuneration of 670,000 Baht, making the total remuneration of 1,490,000 Baht.

Unit : Baht

Directors	The Board of Directors		The Audit Committee	The Nomination and Remuneration Committee	The Executive Committee	Independent Committee	Total per person
	Annual Honorarium#	Attendance Fee	Attendance Fee	Attendance Fee	Attendance Fee	Attendance Fee	Total
1. Mr. Chaiwat Utaiwan	-	200,000	-	-	-	-	200,000
2. Mr. Suphan Mongkolsuthee****	-	100,000	-	-	-	-	100,000
3. Mr. Krit Umpote	-	100,000	210,000	60,000	-	20,000	390,000
4. Mrs. Pratana Mongkolkul	-	100,000	140,000	20,000	-	20,000	280,000
5. Mr. Khan Prachuabmoh*	-	40,000	80,000	20,000	-	20,000	160,000
6. Mr. Richard David Han	-	100,000	-	-	-	-	100,000
7. Miss Sutida Mongkolsuthree	-	80,000	-	20,000	60,000	-	160,000
8. Mr. Jutiphan Mongkolsuthree**	-	80,000	-	-	-	-	80,000
9. Mr. Parkpoom Pooudom***	-	20,000	-	-	-	-	20,000
<b>SJU</b>	<b>-</b>	<b>820,000</b>	<b>450,000</b>	<b>120,000</b>	<b>60,000</b>	<b>60,000</b>	<b>1,490,000</b>

Remarks: \* Mr. Khan Prachuabmoh was appointed as a director in place of Mr. Panthep Supachaiyakit effective from 28 May 2020

\*\*Mr. Jutiphan Mongkolsuthree was appointed as a director in place of Mr. Somkid Wekinvattanased effective from 1 March 2020.

and was appointed as a Chairman of Executive Committee in place of Miss Sutida Mongkolsuthree 8 August 2020

\*\*\*Mr. Parkpoom Pooudom was appointed as a director in place of Mr. Natapong Pinitpongskul effective from 1 November 2020.

\*\*\*\*Mr. Suphan Mongkolsuthee was appointed as a Member of the Nomination and Remuneration Committee in place of Mr. Panthep Supachaiyakit effective from 14 May 2020

# The Company has Omission of Annual Honorarium (Bonus) for the Board of Directors due to net loss for the year 2020.

## Other remuneration

No other forms of remuneration paid to the Company's Directors.

## 8.5 Human Resources

At 2020, The company has 385 permanent employees. The remuneration and benefits paid to the company employees (company executives not included) was 197,734,952.39 baht including salary, bonus, overtime, shift allowance, meal allowance, welfare, cost of living allowance.

### Details of the employees number separated by departments as of December 31, 2020

Division	Number of employees
1. Managing Director Office	5
2. Maintenance and System Division	25
3. Sales and Marketing Division	32
4. Logistics and Warehouse	23
5. Production Division	232
6. Information Technology Division	19
7. Research and Development Division	10
8. Finance and Accounting Division	11
9. Human Resource Division	4
10. Thai British Dpost Company Limited (Subsidiary)	24
<b>Total</b>	<b>385</b>

The company gives great importance to the continuous development of human potential. And in line with business directions So that employees can perform their work efficiently. Along with business changes It is also aware of social and environmental responsibility. Focus on the welfare and safety of work for employees. Therefore, training for human resource development, both inside the company and outside the company continues, and in 2020, develop classroom learning to online learning from SkillLane Institute where employees can access learning from anywhere. And able to choose from over 500 self-paced courses, including Marketing, Information Technology (IT and Software), Social Skills (Soft Skills) and Languages (Languages) adding quality online training courses from Skill lane. That help promotes human resource development



# 09 Corporate Governance



## Corporate Governance Policy

The company is committed to conducting business with responsibility. Continuously transparent and fair The Board of Directors is a model for following the principles of good corporate governance under the framework of corporate governance and code of conduct. To increase the confidence of shareholders and stakeholders on the basis of balanced and sustainable benefits. The principles of corporate governance and code of conduct have been incorporated into the business policy. The Audit Committee is responsible for reviewing the Company's operation according to the policy and good corporate governance principles. And related laws to consider and recommend to the Board of Directors to review and improve the corporate governance practices to suit business operations and in line with national and international practices.

The Office of the Securities and Exchange Commission (SEC) has issued good corporate governance principles for listed companies in 2017 (Corporate Governance Code: CG Code) as a practice for the Board of Directors. The company applies it to supervise the business to have a good performance in the long term. It is credible for shareholders and stakeholders for the benefit of creating sustainable value for the business. Most of the content comes from the Good Corporate Governance Principles for Listed Companies 2012 of the Stock Exchange of Thailand (SET), but only adjust the order of presentation methods according to the context of duties of the Board. In each business process and added issues to cover changing ideas or factors. The Board of Directors has considered and reviewed the application of the CG Code in accordance with the Company's business context.



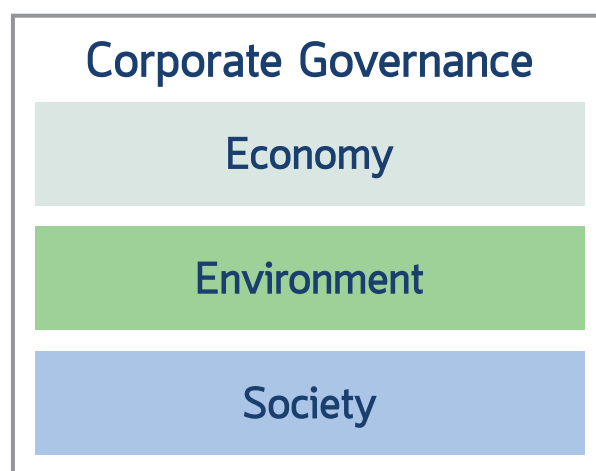
## Guidelines under Corporate Governance

The Board of Directors considers that Corporate Governance is the guidelines on organizational management that is internationally accepted. It is consistent with ideology and Code of Conduct of the company therefore the company gathers knowledge and guidelines on organizational management for operating business by attaching to morality, ethics, and social responsibilities based on the format that has been complied continuously. It can be proved and accepted that those guidelines are consistent and achieved under the same purposes with those of Corporate Governance Code. Consequently, they are compiled as Company's Corporate Governance Handbook that was firstly declared in 2014. The company considers on occurred social and economic changes plus with environment of global society that is trying to define guidelines and criteria on organizational management that meets with international standards under Corporate Governance Code. This will help to build confidence of stakeholders and support sustainable growth. The company establishes guidelines based on Corporate Governance under the criteria of the Stock Exchange of Thailand (SET) and Thai Institute of Directors (IOD). They are improved and amended to be consistent with the criteria of ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard) that aims to upgrade standards of Corporate Governance of the listed companies in ASEAN to be more international. Moreover, the Board of Directors ask has the resolution to approve improvement of the charter of the Audit Committee and the charter of Nomination and Remuneration Committee to be consistent with scope of current duties, legal regulations, and good practices. In addition, Code of Conduct Handbook and Corporate Governance Handbook are also improved to be more complete.

### Guideline 1 : Establish Clear Leadership Role and Responsibilities of the Board)

The company understands on our roles and responsibilities to manage our company to meet with laws, regulations, and resolutions of the meeting of shareholders with honesty and caution as well as to maintain the company's benefits. In addition, the company also cooperates with Management to establish business place and set annual budget of 2020 as the operational framework as well as review operational policies on management in order to achieve our objectives and goals. The company also observes, evaluates, and supervises performance to meet with the goals. Policies are established as follows:

1. Corporate Governance Policy
2. Policy on Rights and Equality of Shareholders
3. Policy on Equal Treatment of Shareholders
4. Policy on Roles of Stakeholders
5. Policy on Responsibilities of Board of Directors and Sub-Committees
6. Policy on Internal Control and Audit
7. Risk Management Policy
8. Business Ethics and Code of Conduct
9. Anti-Corruption Policy
10. Policy on Data Disclosure and Transparency
11. Policy on Conflict of Interest



12. Policy on Information Disclosure and Investor Relation Activities

13. Social Responsibility Policy

The above policies are concluded in Corporate Governance Handbook that is published via the company's website ([www.tbbsp.co.th](http://www.tbbsp.co.th)) as the framework of sustainable business operation.

### Guideline 2 : Define Objectives that Promote Sustainable Value Creation

The company has operated business with responsibilities towards all related persons in all sectors for sustainably mutual benefits. The Board of Directors provides management system that can be reliable on acknowledgement on the rights of stakeholders as defined by laws and those defined as the written guidelines in Corporate Governance Code and Code of Conduct. In addition, the Board of Directors is also responsible for supervising to ensure that such rights are protected and treated fairly and equally. The Board of Directors listen to opinions and the company has ideology to operate business daily by attaching with responsibilities towards all stakeholders for sustainably mutual benefits.

The framework of sustainable development is defined based on international operational guidelines covering economy, society, and environment under Corporate Governance Code. The company strives to generate value for society continuously through eco-friendly business operation and we are ready to pass on our knowledge, experiences, and success to all sectors through participation process including related businesses, institutes, social and community institutes in all areas with business operation in order to drive Thai society to be grown strongly and sustainably.

#### 1) Shareholders

The Company has a policy regarding the equitable treatment of shareholders taking into account the basic rights of shareholders, rights as specified by law and the Company's regulated rights to requesting an examination of a share number, right to obtaining a stock certificate, right to attending the shareholder meeting and voting, right to expressing opinions freely in the shareholder meeting, right to taking part in making decisions about major issues related to the Company's business operations as the owner of a

company, as well as the right to obtaining fair remuneration. Furthermore, shareholders can make suggestions on the Company's business conduct as the owner of a company through independent directors, Company Secretary all of which will be compiled and presented to the Board of Directors for review.

#### **Fostering Good Relations with Shareholders**

Realizing the importance of fostering good relations with shareholders, the Company has continuously hosted a range of activities that are beneficial to society since 2012. To this effect, the Company sends out invitation letters, with reply forms included, to shareholders via post to provide an opportunity for shareholders to declare their intention to participate in activities. Throughout the past 8 years, more shareholders have consistently expressed their interest and signed up for these activities. For each activity, the Company will be reserved a space on a first-come-first-serve basis and announces the list of participants on the Company's website as well as notify them via phone to confirm their participation. For the year 2020, the company has prepared an activity to invite shareholders to visit T.K.S. Technology Public Company Limited at the Sinsakhon Industrial Estate. The company has plans to restructure the organization for synergy between TBSP and TKS group companies, but with the coronavirus outbreak (Covid-19) situation, the company postpones the activities in 2020.

The company treats shareholders fairly and equally based on their basic rights. In addition, the company also attaches to compliance with Corporate Governance with determination to become the representative of shareholders in operating business transparently with reliable accounting and financial system. This action is performed to ensure that all shareholders will be treated equally in all matters related to the company, for example, rights to attend meetings and right to vote in the meetings of shareholders, proxies, advance information providing for making decision, meeting venues, time allocation to meet with agendas, disclosure of information on stake holding, and rights to express opinions freely in meetings, etc. Moreover, the Board of Directors will not perform any action that may cause any conflict of interest against the company and will not seek for any personal benefit or disclose any confidential information to outsiders.

#### **2) Employees**

The Company places importance on employees as valuable resources and is determined to make them proud of and believe in the organization. The Company, moreover, supports and creates a collaborative atmosphere conducive to being innovative or to support the business expansion of the Company by promoting the personnel development in terms of vocation, environment, hygiene and learning motivation.

Furthermore, significances placed on the fair treatment of all staff and employees, healthcare, safety, work environment as well as the appropriate remuneration for employees. The Company has signed United Nations Global Compact (UNGC), which are universally-accepted guidelines in the areas of human rights, labor, the environment and anti-corruption.

Moreover, the company develops employees in all levels to

improve their capabilities for supporting the future growth of our business by providing training to promote and improve knowledge and abilities related to employees of each department. These trainings must be managed to be in reasonable level and meet with performance of each employee in each level. In addition, the company also passes on knowledge to employees of each department while listening to their opinions and suggestions. The company has continuously held the Annual General Meetings every year in order to enable employees to listen to the company's policies and performance. Moreover, the company also provides some opportunities to employees to ask some questions with and propose some opinions to executives. For new employees, the company holds orientations on the first day of working in order to enable them to acknowledge on our policies, rules, regulations, business structure, basic organizational culture, welfares, and benefits.

#### **3) Customers**

The Company intends for customers who use products and services to obtain the utmost benefit both in terms of quality and price, and it is determined to develop and maintain sustainable relations offering recommendations as regards goods and services, advice regarding problem solution, and receiving complaints to further takes all suggestions to make the improvement plan for services. The purpose is for customers to have maximum satisfaction regarding the goods and services provided by the Company.

#### **4) Suppliers**

The Company adheres to a framework of fair and transparent trade competition and strictly complies with the trading terms and conditions agreed upon, the Company's Code of Conduct, and pledges given to its suppliers by considering the fair and reasonable price of purchase, taking the price, quality, and the services into account. There are clear rules for the purchasing and procurement process, with non-calling or accepting any benefits from the suppliers. The Company supports the environment-friendly procurement, avoids the purchasing from the suppliers who violate to human rights or intellectual property and non-compliance to the laws.

#### **5) Business Partners**

The Company has a policy of taking good care of its business partners regarding the environment, work safety, and remunerations. In addition, the Company is resolved to develop the capabilities and knowledge of its business partners both within and outside their lines of work to enable them to work more efficiently. In 2016, the Company established the Business Partner Code of Conduct in order to build good understanding for communicating to business partners and utilizing as the co-business standard. It is consisted of 5 principles as follows: 1) business ethics; 2) labor and human rights; 3) occupational health and safety; 4) environment; and 5) laws and regulations. The Company's business partners have to signing in the receipt of Supplier Code of Conduct prior starting any business with the Company. In addition to 2016, the Company's Board of Directors also approved the enforcement of Policy and Guidelines on Business Partners Recruitment and Selection clearly specifying qualifications and application of the Company's business



partners as well as business process in order to ensure that the Company will be able to select partners systematically, fairly, and transparently as well as to support the Company's business partners to operate business with ethics, environmental and social responsibilities. The Company will not operate any business with any person or corporate performing any illegal action or any behavior implying corruption.

#### 6) Joint venture partners

The Company respects the rights of joint venture partners, treats every partner equitably, fairly and more strength. The Company supported the Opinion's exchanges, suggestions for Business plan. The Company considered appropriated nomination with transparency and encouraged the operation of joint venture to reach the legal framework and achievement. The Company also collaborates with joint venture partners in order for the joint ventures to achieve the shared goals.

#### 7) Creditors

The Company strictly complies with the loan terms and conditions agreements and duties to creditors such as business creditors and financial creditors. Budget management for appropriated structure and maintained the confidence from the creditor. The Company focusing on the stable relationship and trusted with the creditors.

#### 8) Communities

The Company carries out its business with concern for fairness for every stakeholder and is committed to socially responsible business conduct. As a result, the Company has supported activities that improve the quality of life and benefit the communities where the Company operates, in particular, Education together with instilled awareness and encouraged among employees and stakeholder to be responsible as a good citizen and to be benefit for community and society. In addition, the Company provides opportunities for the communities and all relevant stakeholders to participate in various activities or projects as well as give suggestions regarding to the result of the Company's operation. This aims for sustainable live between the industry and community.

#### 9) Government Agencies

The Company attaches significance to government agencies as one of the Company's stakeholders and has clearly define guidelines for engaging in transactions with government agencies in the Company's Code of Conduct and the Company Anticorruption Policy. The objective is for employees to conduct themselves accurately and appropriately, and to provide collaboration with the government agencies in terms of academic endeavors and support of activities in several areas.

#### 10) The Media

The Company stresses the importance of disclosing information to the media, so they can communicate the information to the public with accuracy and in a timely manner.

#### 11) Competitors

The Company has a policy to treat competitors fairly under an honest competition framework. The Company is committed to carrying out business fairly in compliance with the law and the Company's Code of Conduct with ethic, transparency and fairness

without seeking of confidential information from dishonest or inappropriate manner, acting in violate the intellectual property of the competitors, ruining the reputation of competitors without truth information. The Company supports and encourage a free trade.

#### 12) The Civil Society Sector , Academia, and Opinion Leaders

The Company conducts business with concern for social responsibility and all stakeholders. In addition to full, accurate, transparent, verifiable disclosure of information, the Company recognizes in hearing of opinions and suggestions made by relevant parties in order to search for a common path in collaboration for sustainable business operation

#### 13) Intellectual Property or Copyright

The company has the policy to comply with laws not to violate any intellectual property or copyright and not support any employee to perform any action that violates any intellectual property or copyright of other persons without receiving permission. This considered as compliance with ethics and Code of Conduct on intellectual property and the use of information and communication technology of the company.

#### 14) Anti-Corruption

The company provides knowledge on corruption to directors and top managers of the company group in order to make everyone realizes and alert to build consciousness by providing knowledge and understanding on various forms of corruption in order to communicate such knowledge and foster values on honesty.

##### Contact Channels for Stakeholders

The Company has also provided channels which employees and external stakeholders can contact, offer opinions, lodge complaints, and report violation cases, namely the Whistleblower System via the Company's intranet (for employees) and [www.tbbsp.co.th](http://www.tbbsp.co.th) (for other stakeholders) for further actions to be taken. The procedures are as follows:

- Employees or stakeholders file reports via the designated channels. The information provided is considered confidential and revealed only as necessary. The Company has also put in place informant/complaint lodger protection measures, and the investigation does not require the revelation of the informant's identity or the information source. In addition, informants can demand appropriate protection measures or the Company might implement extra protection measures without having received any demand informants if the issue can potentially cause damage or dangers

- The Internal Audit Office receives complaints, verifies the validity, and conducts a preliminary investigation with meticulousness to reach a conclusion within 30-60 days. Progress reports are also made to the informants if their identities are identified

- In the event that a violation is proven, an investigation committee will be formed to pass judgment and determine the punishment. Then, the corruption or complaint will be reported to the Audit Committee and the Board of Directors.

##### Disclosure and Transparency

The Company recognizes the importance of information



disclosure because it greatly affects decision-making by investors and stakeholders. It is necessary, therefore, to define and administer measures concerning the disclosure of information, both financial and non-financial. Information disclosed via the SET Portal of the Stock Exchange of Thailand and the Company's website shall be complete, sufficient, transparent, reliable and up-to-date, written in both Thai and English. Nonetheless, in revealing the Company's information, the Company assigns the Managing Director or an assignee to carry out such disclosure.

The Company is committed to obeying the law, and the regulations and obligations mandated by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand and relevant government bodies. Regular amendment takes place to ensure that the Company is up-to-date in its adherence to laws, regulations and obligations, and to guarantee the Company's transparency in conducting business. For example,

1. Prepare the following reports according to laws related to directors and top managers for reporting to SEC:

1.1 Report of Changes in Securities Holding after being appointed to hold the position of Director or Top Executive for the first time (59-1 Form) that shall be submitted within 30 days from the day of position holding.

1.2 Report of Changes in Securities Holding in the event of any Company's security selling, purchasing, or transferring (59-2 Form) that shall be submitted within 3 days from the changing day.

1.3 Listing Names of Persons on Database of Directors and Top Executives of Securities Issuing Companies (35-E1 Form) that shall be submitted within 7 working days from the day of position holding.

2. Establish a policy that requires the Company's directors and executives to report their own interests, and those of any related persons, which are vested interests relating to the management of the Company or the Company's associated companies with the following report criteria and method:

- Report when holding the position of Director or Top Executive.
- Report every change of stake holding data
- Regularly report at the end of year.
- No report submission in the event that any Director is discharged but reappointed to hold the same position continuously if there is no change of stake holding.
- Define Director and Top Executive to submit stake holding report to the Company's secretary and the secretary has to submit the copies of stake holding report to the President, the President of Audit Committee, and Internal Auditor within

3. Define Director and Top executive to report on securities holding and changing of securities holding of their own companies, spouses, and children who do not reach the legal age to the Company's Board of Directors in all quarters as well as report such changing of securities holding in the Annual Report by showing their own shares, shares of their spouses and children who do not reach the legal age as well as those traded in each quarter of the year.

4. Prepare a report on the Board's responsibility for financial statements and present it along with the Audit Committee's

report in the Annual Report.

5. Disclose accurate, complete and timely financial information and non-financial information

6. Publish the notice to Annual General Meeting of Shareholders within 120 days from the last day of accounting period.

7. Publish the latest Minute of the Annual General Meeting of Shareholders on the Company's website.

8. Disclose the roles and responsibilities of the Committees and Sub-committees, the number of meetings held, and the number of meetings each Sub-committee and Committee member attended.

9. Disclose date of being appointed as the Director in the Annual Report.

10. Disclose Director selection process and Director's performance assessment method.

11. Disclose the policy on the remuneration of directors and top executives, including forms, types and amount of remuneration for each committee member.

12. Disclose information on participation in training programs held by IOD of each Director.

13. Disclose operational structure and investment in the associated companies clearly.

14. Disclose audit fee and other service charges in the Annual Report.

15. Disclose the Company's regulations, Code of Conduct and code of conduct, corporate governance, Anti-corruption Policy, Business Partner Code of Conduct, and Tax Policy via the Company's website.

16. Disclose Environmental and Social care as well as results of compliance.

17. Disclose Corporate Governance Policy and results of compliance.

18. Disclose information via SET Portal System of the Stock Exchange of Thailand to enable shareholders, investors, press, and related persons perceive correct, extensive, and transparent information. The Board of Directors is committed to adhering to the Company's guidelines for disclosure of relevant information to systematize the Company's practice of disclosure, prevent potential damage that results from inappropriate disclosure, and ensure shareholders, investors, the public, and shareholders that the Company's disclosure is accurate, clear, compliant with the law, and equitable in accordance with the disclosure policy. There is also communication, disseminating knowledge and understanding as well. All employees throughout the organization to create awareness and understanding of Implemented in accordance with the anti-corruption policy (Details appear in the section Social Responsibility, pages 61-63)

### Guideline 3 : Strengthen Board Effectiveness

The Board of Directors already realizes that directors play the important role in taking responsibility on corporate governing for the ultimate benefit of the company therefore they are required to understand on their duties and responsibilities whereas their roles and duties are clearly separated between those of the Board of Directors and those of Management. Therefore, the company defines proper structure of the Board of Directors in order to make performance of the Board of Directors to be efficient and

effective. The guidelines are as follows:

### 3.1 The Structure of the Board of Directors

The Board of Directors comprises nationally respected, knowledgeable and competent persons who are responsible for drawing up corporate policy and collaborating with the top executives in making operating plans, both short-term and long-term, including financial policy, risk management policy, and organizational overview. The Board plays an important role in overseeing, monitoring and assessing the performance of the Company and top executives on an independent basis. The Articles of Association of the Company prescribe that there must be no fewer than five directors all of whom are appointed and removed at the General Meeting of Shareholders which consists of executive director, non-executive directors, and independent directors. The names of the directors are as follows:

1. Mr. Chaiwat Utaiwan	Independent Director, Chairman of the Board of Directors
2. Mr. Krit Umpote Independent	Independent Director
3. Mrs. Pratana Mongkolkul	Independent Director
4. Mr. Khan Prachuabmoh	Independent Director
5. Mr. Richard David Han	Director
6. Mr. Supant Mongkolsuthree	Director
7. Miss Sutida Mongkolsuthree	Director
8. Mr. Jutiphan Mongkolsuthree	Director, Chairman of the Executive Committee
9. Mr. Parkpoom Pooudom	Director, Managing Director (Acting)

Board of Directors Consists of 2 executive directors, namely the Managing Director and Chief Executive Officer and 7 non-executive directors, many of whom have work experience related to the core business of the Company, details appear in the background of the Board of Directors in the annual report.

The Company has four independent directors, which is one third of the total number of directors. The independent directors are responsible for reviewing the operations of the management. Suggestions and comments Support policies that are beneficial to shareholders or oppose a guideline that may cause injustice or not being transparent, which may affect the interests of shareholders and various groups of stakeholders overseeing the Company to set and disclose the policy on supervision of connected transactions. To ensure that it is in the best interest of the company and the shareholders.

### 3.2 Scope of Authority of the Board of Directors

The Company's Board of Directors shall act in a best interest of shareholders (Fiduciary Duty) by observing the following four main practices:

- Performing its duties with responsibility and all due circumspection and caution (Duty of Care).
- Performing its duties with faithfulness and honesty (Duty of Loyalty).
- Performing its duties in compliance with laws, objectives, Articles of Association, the resolutions of the Board of Directors and resolutions of Shareholders' Meetings (Duty of Obedience).
- Disclosing information to shareholders accurately, completely, and transparently with verification and timeliness. (Duty of Disclosure).

The Board of Directors has the following authorities:

1. Directing the Company's visions, missions, and business strategies, and ensuring the equitable treatment of stakeholders.
2. Governing the major operating plan and enhancing the capabilities of the Company to reach a globally competitive level.
3. Assessing the operating results of the Company and work performance results of the Management executives such as the Managing Director.
4. Overseeing and monitoring the implementation of the Company's strategies by requiring their performance reports periodically and setting policies to develop and improve the business operations with concern for safety, occupational health, social and environmental responsibility and development of the Company's employees.
5. Devoting their time and efforts to the Company without seeking benefits for themselves or others and not acting in conflict of interest or in competition with the Company
6. Directing the Company's operation in compliance with the laws, objectives, Articles of Association, resolution of Shareholders' Meetings with responsibility, prudential and in good faith and with care to preserve the interests of the Company.
7. Designing risk management policy and controlling and improving effective risk management, review and evaluate the risk management system on a regular basis or when the risk level changes.
8. Conducting themselves according to the Principles of Good Corporate Governance, Code of Best Practice for Directors of Listed Companies, and guidelines of SEC and SET. Controlling the improvement of the Company's corporate governance to attain the international standards and being a model in Conducting themselves according to the Principles of Good Corporate Governance, Code of Best Practice for Directors of Listed Companies, and guidelines of SEC and SET. Controlling the improvement of the Company's corporate governance to attain the international standards and being a model in
9. Encouraging staff at all levels to be conscious of ethics and morality and comply with the Company's principles of corporate governance, Code of Conduct and anti-corruption policy while promoting awareness of the importance of internal control system and internal audits to reduce the risk of fraud and abuse of authority and prevent any illegal act.
10. Protecting the fair rights and interests of both major and minor shareholders along with supporting shareholders in exercising their rights to protect their own interests, and receive accurate, complete, transparent, veritable, and timely information.
11. Recognizing the roles, duties, and responsibilities of the Board of Directors, respecting the rights of shareholders, ensuring the equitable and transparent treatment of shareholders and other stakeholders, conducting the business transparently, establishing a clear process and channels for receiving and handling complaints from informants or stakeholders.
12. Assessing the performance of the Board of Directors annually together with monitoring the assessment results of the Board and its Sub-committees with 2 operating assessment, As

a whole and Self-assessment which will be jointly deliberated by the Board of Directors.

13. Overseeing and monitoring to ensure the selection and nomination process of a director is carried out transparently and the remunerations for directors and Sub-committee members are determined appropriately

14. Attending all meetings of the Board of Directors and Shareholders' Meetings, except in unavoidable circumstances. The directors who are unable to attend a meeting must notify the Chairman or the Secretary to the Board in advance of the meeting.

15. Developing knowledge and ability to perform continually, attending training or courses related to the performance of duties of directors or seminars to keep improving knowledge. Performing its duties, the Board of Directors may seek external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate

### 3.3 Scope of Authority of the Chairman of the Board of Directors

1. Sets Board meeting agenda in consultation with the Managing Director and oversees to ensure Board members receive accurate, complete, timely, and clear information prior to the meeting to assist in their decision making process.

2. Provides leadership and direction to the Board of Directors and chairs meetings of the Board.

2.1 Conducts a Board meeting according to the agendas, the Company's Articles of Association, and applicable laws.

2.2 Encourages and allocates sufficient time to each Board member to discuss and express their free and frank opinion with due circumspection and concern for all stakeholders.

2.3 Sums up the Board meeting resolutions and the actions to take clearly.

3. Chairs meetings of shareholders according to the agendas, the Company's Articles of Association, and relevant laws by allocating time appropriately along with providing opportunities for shareholders to express their opinions equitably and ensuring that shareholders' inquiries are responded to appropriately and transparently.

4. Supports and be a role model in compliance with the principles of good corporate governance and the Company's Code of Conduct.

5. Fosters a positive working relationship between the Board of Directors and the Management and supports the performance of the duties of the Managing Director and the Management in accordance with the Company's policy.

6. Oversees to ensure the transparent disclosure of information and management in the event of conflict of interest.

7. Oversees to ensure the Board of Directors has appropriate structure and composition.

8. Oversees that the Board of Directors as a whole, Subcommittee members, and each individual director perform their duties effectively and efficiently

9. Oversees to ensure the performance assessment of the Board of Directors as a whole and self-assessment of directors, Chairman, and Sub-committee members. The assessment results are reviewed to find ways to improve their performance and

enhance the knowledge and capabilities of the directors and Subcommittee members.

### 3.4 The Board of Directors' Authorization

The Board of Directors is empowered to authorize various matters in accordance with the scope of authority stipulated by laws, the Company's Articles of Association, the Board of Directors charter, and the shareholders' meeting resolutions. Such matters include defining and reviewing corporate vision, operating strategies, operating plans, risk management policy, annual budget and business plans, and medium-range business plan. Added to this is the defining of the target operating results, following up and assessing the operating results to ensure they are consistent with the plan, and overseeing capital expenditure, merger and acquisition, corporate spin-off, and joint venture deals.

### 3.5 Directors' Term of Service on Board

The Company's regulations state that the number of years for each term of the Company's Director complies to the Public Limited Company Act. At the Annual General Meeting of Shareholders each year, one-third of the total directors must retire from office. If it is not possible to divide the total number of directors evenly by three, the number closest to one-third must retire from the office. In choosing those directors who retire, length of service on the board should be considered, so that those who have served longest are most eligible to retire. The Company has a total of 9 Directors, each with a three-year term. Nevertheless, a retiring director is eligible for re-election.

### 3.6 Board of Directors' Meetings

It is the duty of each member of the Board to consistently attend the Board's meetings to stay informed of the Company's operations and make decisions regarding them and grant approval to the major issues relating to the Company's operations such as vision and mission, strategies, financial targets, risk management, work plan, and budget. The Board holds at least four scheduled meetings per year, the meeting agenda items are clearly specified in advance. There may be an additional ad-hoc meeting to consider an urgent matter. Documents regarding the meeting agenda items will be sent to each Company Director beforehand 5 days so that they have enough time to study the information on several issues. Prior to the meetings, the Company's Executives Committee jointly determine which agenda items are relevant to the meetings. Every individual member of the Board is entitled to propose agenda items. When considering the matters presented to the Board, the Chairman of the Board presides over and duly conducts the meetings. All members of the Board are allowed to express their opinions independently. Resolutions are passed with a majority vote, whereby one director is eligible for one vote. A director with a vested interest in the issue under consideration or a director ineligible to vote shall be excused or abstain from voting. In case of a tied vote, the Chairman of the meeting will cast his vote to reach a resolution. The executives are allowed to attend the Board's meetings to provide useful information to the Board, and to learn directly about the Board's initiatives and policies for effective implementation. However, the executives are not allowed to attend the meeting for certain agenda items which are reserved only for the Board of Directors

or for non-executive directors in order to ensure independence of consideration. After the Meeting, the secretary to the Board of Directors is responsible for preparing the minutes for all directors, which is duly signed by the Chairman. The minutes must then be approved as the first agenda item of the following meeting of the Board. Directors may make comments, corrections or additions to ensure maximum accuracy and completeness. After approval, minutes of the meeting are stored securely in the corporate secretary's office together with all related documents, which are backed up electronically to facilitate data searches.

### 3.7 Policy on Directors and Top Executives Holding Directorship in Organizations outside the Company Limitation of the Number of Listed Companies in Which a Director May Hold Directorship

Policy on Directors and Top Executives Holding Directorship in Organizations outside the Company Limitation of the Number of Listed Companies in Which a Director May Hold Directorship The Board of Directors has set a policy to limit the number of listed companies in which each director may hold a directorship. This policy aims to protect the Company's best interests because it helps ensure that directors have time sufficient to handle their duties. The Board of Directors has agreed to set the policy prescribing that each director should hold directorship of a maximum of five listed companies. In addition, the Company has a guideline in case the Managing Director is appointed as director of another company. The matter will be proposed to the Board of Directors for approval. Policy and Guidelines on Top Executive's Directorship in Organizations outside the Company The Board of Directors has established a policy allowing the Managing Director and the Company's management to hold a directorship in companies that are not the Company or its subsidiaries or associates or to spend the Company work hours carrying out directorships for external institutes for the two following organizations:

(1) Governmental organizations that are not established for the benefit of a political party, in which their service represents their cooperation with the authorities and contribution to the general public.

(2) Private organizations that are established for the benefit of the general public such as the Federation of Thai Industries, the Thai Chamber of Commerce, the Thailand Management Association, etc. The Managing Director is to propose a directorship in other companies or external institutes for approval from the Board of Directors. As for top management, the proposal must be submitted for approval in accordance with the Company's Approval Authority, in which case the proposal will be reviewed with consideration to the Company's intent to

ensure that its employees demonstrate determination and effort and dedicate their working hours to their duties at the company to the best of their ability, as well as adhere to the ethical guidelines regarding conflicts of interest, whereby employees do not engage in a conduct that constitutes a competitive with the Company's business. The approval of directorships or the use of the Company's working time on duties in external institutes/companies depends on the Company's judgment and is reviewed on a case-by-case basis.

### 3.8 Separation of the Roles of the Board of the Directors and the Management

The Company define sclear roles and responsibilities regarding the Board of Directors and the management. The Board shall be responsible for establishing the policies and overseeing the management's implementation of those policies. The management, on the other hand, shall be responsible for implementing the policies formulated by the Board, and ensuring that these are carried out as planned. Therefore, the Chairman and the Managing Director of the Company shall not be the same person, and each must be nominated and elected by the Board in order to ensure their appropriateness. The Chairman shall not be a member of the management and shall not participate in the management of the Company's business; nor shall the Chairman be authorized to sign binding agreements on behalf of the Company. This is to clearly define separate roles between supervision of the Company's overall policy, and management of the business. The Company's Management is assigned and authorized to perform many operation under the Company's policies define for taking responsibilities on overall performance, controlling expenses and budget under the scope approved by the Board of Directors in the Annual Policy, complying with HR Policy, solving problems or conflicts affecting to the Company, and maintaining efficient communication with related persons

### 3.9 Performance Appraisal and Knowledge Enhancement

In order to enhance the efficiency of the work operations of the Board of Directors and the Sub-committees, the Company has stipulated a performance assessment and a review of the performance results of the Board of Directors and Subcommittees on a yearly basis. The assessment is divided into two types, namely the performance assessment of the Board of Directors as a whole and the self-assessment. The Board of Directors then analyzes and summarizes the results of the assessment to formulate measures to further enhance the efficiency of the Board of Directors and the Sub-Committees Orientation for New Director The Company has complied the manual for Company Directors summarizing the law, rules and regulations as relates

Board of Directors/Sub-Committees	Performance assessment result for the committees as a whole(%)	Performance assessment result for the committees of self-assessment (%)
1. The Board of Directors	95	96
2. The Audit Committee	100	100
3. The Nomination and Remuneration Committee	98	97



to Company Directors to inform them of their roles and duties, and practice guidelines for directors as preliminary information. Concerning the support of the duty performance of the Company's Board of Directors, the Company has the Secretary to the Board of Directors and Company Secretary to coordinate between Company Directors and the Management, maintain collaboration in terms of the relevant law and regulations, take care of the activities of the Company's Board of Directors, as well as coordinating to ensure conformance to the resolution of the Company's Board of Directors. Moreover, the Company encourages Company Directors, the Management and Company Secretary to attend a seminar regarding programs useful for duty performance, both organized by the Company's unit responsible for staff training and the government agencies or independent institutes such as the Director Certification Programs by the Thai Institute of Directors. The objective is to apply knowledge gained from the program and experience to further strengthen the Company. In 2019, the evaluation result for the work performance of the Board of Directors and Sub-committees can be summarized as follows:

### **Evaluation on Performance of Board of Directors and Sub-Committees**

The company emphasizes on evaluation on performance of Board of Directors and Sub-Committees with the purpose to utilize the results of such evaluation for improving performance of Board of Directors and Sub-Committees in various dimensions. The Board of Directors regularly conducts self-evaluation and evaluates performance of the board every year.

### **The Assessment of the Managing Director**

The Board and the Nomination and Remuneration Committee assess the performance of the Managing Director based on the Company's operating results, implementation of the Board's policies, and the overall socio-economic circumstances. The Nomination and Remuneration Committee will then consider the appropriate remuneration in short term and long term for the Managing Director and propose such amount to the Board for approval, taking into account the following information regarding the current and previous years:

1. The business operating results based on percentage of EBITDA on operating assets. The target EBITDA shall be set forth each year for assessment and comparison purposes.
2. The operating results of the business compared to those of other companies in the same industry, both locally and internationally.
3. The executive's capability to develop the business and improve operational efficiency for business each year

### **Communication with Management**

The Board of Directors is able to access and communicate with Management and company's secretary directly as proper. However, such access and communication must not intrude or intervene normal business operation of the company.

### **The Sub-committees**

The Board has further established the Sub-committees to be responsible for their specific areas and report directly to the Board for its consideration or reference. In this regard, the Company put

in place its Charter of the Board of Directors and Charter of the Sub-committees specifying rights and duties, which is published on the Company's website. In the year 2019, The Company has three Sub-committees including the Audit committee, the Nomination and Remuneration committee, and the Executives committee.

#### **1) The Audit Committee**

The Audit Committee comprises three independent directors, all of whom are well accepted and have a full understanding of, and experience in, accounting or finance. Mr. Krit Umpote and Mrs. Pratana Mongkolku are the member of the Audit Committee who has adequate expertise and experience to view creditability of financial report. The Audit Committee members' duties include a review to ensure that operations have been carried out in accordance with the Company's Articles of Association as well as the laws and regulations of compliance related agencies. Moreover, the Committee is committed to promoting the advancement of the Company's financial and accounting report system to meet international standards and to ensure that the Company has an appropriate, modern and efficient internal control system, internal audit system and risk management system. The Audit Committee acts and expresses opinions independently. The Internal Audit Office acts as an operations unit reporting directly to the Audit Committee. The Audit Committee also consults regularly with external auditors, consultants and specialists in the areas of law and accounting. The Audit Committee must set up meetings with the Company's external auditor, which exclude the management, at least once a year in order to hear their comments. The Audit Committee of the Company comprises the following three members:

1. Mr. Krit Umpote Chairman
2. Mr. Khan Prachuabmoh Member of the Audit Committee
3. Mrs. Pratana Mongkolkul Member of the Audit Committee

#### **Scope of Authority of the Audit Committee** **The Audit Committee is authorized to fulfill the following duties:**

1. Review the financial report system and disclosure of information in financial statements to be in accordance with the Financial Reporting Standards and promote the development of financial report system to be correspondent to Thai and International Financial Reporting Standards.
2. Consider connected transactions or those having possible conflict of interest to ensure compliance with all pertinent laws and requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand.
3. Review the Company's work process, risk management, control, operations and information technology governance, as well as Information and Integrated Network Security to comply with international standard consist of the proactive preventive system to enhance operating effectiveness and efficiency
4. Review the Company's anti-corruption procedures to conform to guidelines of the governance bodies efficient starting from the promotion and raise of awareness, the risk assessment, the proactive preventive system, the audit structure, to the self-assessment review regarding anticorruption measures as assessed by Internal Audit Office to ensure that the Company exercises the anti-corruption systems as reported

in the self-assessment form of Thai Institute of Directors (IOD).

5. Review the Company's Compliance Procedure in accordance with the securities and exchange act, rules, regulations and other laws relevant to the Company's business.

6. Review the appropriateness and the effectiveness of the Company's Internal Control System and Internal Audit System in accordance with Internal Control Framework (COSO 2017) and internationally accepted approaches and standards and review "The Assessment Form of the Adequacy of the Internal Control System" as audited and assessed by Internal Audit Office to ensure that the Company has sufficient internal control system and propose to the Board of Directors for consideration.

7. Review the results of fraud investigation and establish internal preventive measures and review the Company's internal process concerning the whistleblower system.

8. Consider, select and propose the appointment of an independent person to perform the duties of the Company's auditor, propose the discharge of the auditor, and also propose the remuneration of the Company's external auditor and evaluate the effectiveness of the external auditors' performance.

9. Prepare the audit committee's report to be disclosed in the Company's Annual Report and duly signed by the Chairman of the audit committee and containing opinions on various matters as required by SET.

10. Review and give the opinion toward the audit practices of the Internal Audit Office and coordinate with external auditors and organize meetings with the Company's external auditor, without the attendance of management at least once a year.

11. Consider and approve the internal audit plan, budget, and manpower of the Internal Audit or select internal audit officer in case of using outsourcing service and consider the appointment, removal, transfer, or dismissal of the Director of Internal Audit Office or the change of internal audit officer in case of using outsourcing service.

12. Consider the independence of the Internal Audit Office based upon the execution of work, reports and line of command and review the execution of the Internal Audit performance assessment according to international standards.

13. Review the execution of the audit committee members for the performance assessment, both as a whole and self-assessment, of the audit committee annually.

14. Perform other actions as required by law or assigned by the Board of Directors. Regarding the scopes of roles and responsibilities, the Audit Committee is authorized to call for and order management, heads of offices, or employees concerned to present opinions, The Audit Committee performs duties within its authority and responsibility under the order of the Board of Directors. The Board of Directors is responsible for Company's operations and is directly accountable to shareholders, stakeholders and the public.

#### **Responsibilities of the Audit Committee**

1. In case the Audit Committee is informed by the auditor about suspicious behavior of directors, managers or persons responsible for business operation of the Company, which may violate paragraph 2 of Section 281/2, Section 305, 306, 308, 309, 310, 311, 312 or 313 of the Securities and Exchange Act, the Audit

Committee is to investigate the case and submit a preliminary report to the Securities and Exchange Commission (SEC), as well as to the auditor, within 30 days of the date it is informed.

2. Upon finding or having doubt about the following actions or transactions, which may significantly affect the financial position and performance of the Company, the Audit Committee is to report such events to the Board of Directors in order to find remedy within a period deemed appropriate by the Audit Committee:

(1) Transactions which may cause conflicts of interest

(2) Fraud or irregular events or material flaws in the internal control system.

(3) Violations of laws pertaining to Securities and the Stock Exchange, the regulations of the Stock Exchange, or laws pertaining to the Company's business. Should the Board of Directors or management fail to remedy the issues within the timeline specified by the Audit Committee, a member of the Audit Committee may report the issue to the SEC or the SET.

#### **2) The Nomination and Remuneration**

The Nomination and Remuneration Committee comprises three of the Company's directors, all of whom are nonexecutive directors. In addition, three members of the Committee are independent members, one of whom is the Chairman of the Nomination and Remuneration Committee. The Committee is in charge of the nomination of persons qualified to become directors to replace those who are retired by rotation, or as the case may be. The Committee is also responsible for monitoring and studying changes and trends in the remuneration of the Board of Directors, the Sub-Committee and the Company's top executives to suggest remuneration policies and assess the performance of the Managing Director to define the remuneration to be further proposed to the Board's approval by comparing with other listed companies which operating in the same industry that can motivate these executives to lead the Company toward success as well as to retain smart and ethical employees. The Nomination and Remuneration Committee must set up meetings at least two times a year.

The Nomination and Remuneration Committee comprises the following three members

1. Mr. Krit	Umpote	Chairman
2. Mr. Supant	Mongkolsuthee	Director
3. Miss Sutida	Mongkolsuthee	Director

Scope of Authority of the Nomination and Remuneration Committee The Nomination and Remuneration Committee is authorized to fulfill the following duties:

1. Review independency of the Board of Directors and the issues of conflicts of interest

2. Should there be a few alterations made to the director's qualifications, the Committee shall review the appropriateness for directorship.

3. Specify qualifications of a person to be nominated for directorship and lay down the director nomination process to replace the retiring director, considering an eligible candidate with skills, experiences and expertise.

4. Identify qualified candidates to replace directors retiring at the end of their terms, or for other reason, and submit a list



of nominees to the Board of Directors' and/or shareholders' meeting for resolution.

5. Recommend the succession plan of the Company's Managing Director and Executives to the Board.

6. Propose guidelines and methods of payment of remuneration, including bonus and attendance fee, to the Board of Directors and the Sub-committees appointed by the Board.

7. Propose policy on management remuneration, including salary and bonus, in line with the company's operating results, and the performance of each executive, and whenever it deems appropriate, the Committee shall consider the hiring of consulting firms to advise on project implementation

8. Prior to the submission of the Managing Director's remuneration for the Board of Directors' approval, the Remuneration Committee shall assess the Managing director's performance on an annual basis.

9. Consider before presenting to the Board of Directors, the budget for the salary increase, change of wage/remuneration and bonus of the senior executives.

10. Regularly review, study and track the changes and trends in remuneration for the Board of Directors and the executives and report its findings to the Board for approval

11. Consider the annual remuneration for the Board of Directors, as compared to the remuneration offered by other listed companies operating in the same business, to ensure

that the company retains its leadership in that industry and to motivate them to foster the continuing development of the Company.

12. Regularly make a progress report on the results of performance and submit it to the Board of Directors after the meetings of the Nomination and Remuneration Committee. Principle 4: Ensure Effective CEO and People Management)

The Board of Directors properly emphasizes that personnel who will hold the position of top managers in all levels that are the important administrative positions and a part to drive the company to achieve our goals therefore the Board of Directors are responsible for supervising nomination of those personnel to be appropriate and transparent by considering on knowledge and experiences. In addition, the Board of Directors must supervise personnel management and development to be consistent with the company's strategies on personnel management. The company promotes directors and top managers to participate in some training programs as suggested by the Office of the Securities and Exchange Commission and held by Thai Institute of Directors (IOD) in order to develop knowledge of directors, top managers, and company's secretary on rules, regulations, and guidelines for being the company's directors and executives sufficiently. Consequently, they will be able to perform their duties honestly and carefully for the ultimate benefits of the company and shareholders.

#### Directors' Attendance at Training Session Conducted by the Thai Institute of Directors Association (IOD)

Directors of the Company	Training Courses	Board Nomination and Compensation Program (BNCP)	Director Accreditation Program (DAP)	Director Certification Program (DCP)	Audit Committee Program (ACP)	Advanced Audit Committee Program (AAP)	Director Certification Program Update (DCPU)	Role of the Chairman Program (RCP)
1. Mr. Chaiwat Utaiwan		BNCP 4/2018	-	DCP 18/2002	-	-	-	RCP 2002
2. Mr. Krit Umpote		-	-	DCP 2000	-	AACP 3/2010	-	-
3. Mrs. Pratana Mongkolkul		-	DAP 2/2003	DCP 34/2003	-	AACP 22/2016	-	-
4. Mr. Richard David Han		-	DAP 57/2006	-	-	-	-	-
5. Mr. Khan Prachuabmoh		-		DCP 209/2015	-	AACP 28/2018	-	-
6. Mr. Supant Mongkolsuthree		-	DAP 12/2004	DCP 52/2004	-	-	-	-
7. Miss Sutida Mongkolsuthree		-	-	DCP 233/2017	-	-	-	-
8. Mr. Jutiphan Mongkolsuthree		-	-	DCP 247/2017	-	-	-	-
9. Mr. Parkpoom Pooudom		-	-	-	-	-	-	-

#### Orientation of New Directors

In the event of new directors, the Board of Directors relies on performance of new directors therefore orientation is provided to all new directors in order to make them acknowledge on expectation of the company towards roles, duties, and responsibilities of directors, and overall operational guidelines, as well as to provide them knowledge and understanding on business and operations of the company to be ready for performing duties of directors. Top managers will give some explanation on the company's important information, Director Handbook, and Code of Conduct of directors and employees.

The company has the policy to promote directors to be trained in order to improve understanding on roles and missions under Corporate Governance Campaign Plan. Directors can participate in trainings at Thai Institute of Directors (IOD) or related agencies whereas the company will be responsible for all expenses. Principle 4: Ensure Effective CEO and People Management)

The Board of Directors properly emphasizes that personnel who will hold the position of top managers in all levels that are the important administrative positions and a part to drive the company to achieve our goals therefore the Board of Directors

are responsible for supervising nomination of those personnel to be appropriate and transparent by considering on knowledge and experiences. In addition, the Board of Directors must supervise personnel management and development to be consistent with the company's strategies on personnel management. The company promotes directors and top managers to participate in some training programs as suggested by the Office of the Securities and Exchange Commission and held by Thai Institute of Directors (IOD) in order to develop knowledge of directors, top managers, and company's secretary on rules, regulations, and guidelines for being the company's directors and executives sufficiently. Consequently, they will be able to perform their duties honestly and carefully for the ultimate benefits of the company and shareholders.

### **Guideline 5 : Nurture Innovation and Responsible Business**

The Board of Directors emphasizes on business operation along with generating benefits for society and environment under management based on Corporate Governance Code as defined by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. This emphasis has been performed under ethics and Code of Conduct with good, transparent, and fair management system for all stakeholders. To make shareholders reliable and confident with investment in the company's business, Corporate Governance and Social Responsibility Committee is established to supervise and monitor Management to operate business with social and environmental responsibilities in order to make all practices meet with major objectives and goals sustainably.

The company emphasizes on personnel development that are considered as the important resources by promoting work environment and fostering organizational values in order to reinforce innovations enabling personnel to dare to think, take action, and initiate under transparent and open work environment. In addition, the company also promotes additional trainings to improve skills and potential to enable employees to grown with their duties and positions while being happy. This helps to promote work environment in order to make all employees to be proud of and confident with the company. For innovative development, the company supports researches and development of new products in order to be consistent with increasing demands in the future. This will increase business opportunities on operations. In addition, the company also develops and improves information technology as the tools for supporting work process, for example, reduction of time and costs, etc.

#### **Conduct according to the Principles of Good**

Corporate Governance in other Areas In addition to conformance to the five Principles of Good

Corporate Governance for listed companies in 2012 as stated in 5 categories above, the Company has other practice guidelines in relation to good corporate governance as follows:

#### **Company's Code of Conduct**

In 2014, the Company announced the enactment of the Company's Code of Conduct approved by its Board of Directors

with the objective of providing employees with work performance guidelines in compliance with the Company's value, with Company Directors acting as a good example. The Code of Conduct manual comprises the code of conduct, with the addition of examples and clear specification of code of conduct, specification of protection and damage alleviating measures for whistleblowers, complainants or those cooperating in reporting violation or non-conformance to the Code of Conduct. The Company communicates with its employees throughout the organization via several channels ([www.tbsp.co.th](http://www.tbsp.co.th)) and (Intranet) Operations as regards Anti-Corruption The Company has joined UN Global Compact or the ten international principles since 2012 in order to manifest the intention to conduct itself according to such principles in the areas of Human Rights, Labor, Environment, and Anti-Corruption.

This is in line with the Company's operations whereby good corporate governance has always been at the forefront. The Company's Board of Directors, with the intention to operate in support of anti-corruption in society, resolved that the Company announce the enactment of the "Anti-Corruption Policy" in 2014 and announce the enactment of the "Anti-corruption Policy" Revised version (Propose to request for approval at the Board of Directors' meeting on 6 November 2019.) And publish on the company website ([www.tbsp.co.th](http://www.tbsp.co.th)) and (Intranet)

### **Guideline 6 : Strengthen Effective Risk Management and Internal Control**

The Board of Directors establishes the audit committee and Risk Management Sub-Committee to govern risk management system and internal control system appropriately in order to control compliance to meet with related laws and standards. The Internal Audit Unit is independent to perform their duties and take this responsibility that must be reported in Annual Report. The following policies and matters are defined as the guidelines:

#### **Risk Management Policy**

1. Risk management is defined as responsibility of the Board of Directors, executives, and employees in all levels to realize on possible risks in operations in their units and corporate. In addition, they are also required to emphasize on risk management sufficiently and appropriately.

2. All business units of the company are defined to have risk management process, risk indicators, guidelines on risk prevention and mitigation, systematical and continuous assessment and monitoring. The process must be regularly improved to meet with business changes at least once a year. In addition, they are required to make the reports on risks under the operational framework and risk management procedures

3. Risk assessment is defined as a part of Annual Plan of all departments by considering all risks throughout the company and considering on internal and external risk factors. In addition, the company also defines risk management and generates appropriate alarm.

4. Risk Management Committee is responsible for monitoring risk management and proposing their opinions to the Board of Directors

5. Organizational culture is built to build mutual understanding and consciousness on risks in order to foster realization on importance and responsibility on risk management in all personnel.

### Internal Control System

The company establishes Internal Audit Unit to audit operational system of all units in order to make Management and stakeholders to be confident that existing internal control system is regularly and appropriately performed as well as to seek for defects, flaws and weaknesses while developing existing operational system to be more efficient. Internal Audit Unit is independent and be able to audit and balance all operations fully before reporting to the Audit Committee directly.

### Supervision on Insider Trading

The company has the following policies and methods to supervise executives on utilizing company's internal information for personal benefits and securities trading.

- The company has policies and attaches with ethics, honesty, and good faith in operating business towards customers and shareholders with explicit terms and Code of Conduct. In the event that any employee or executive discloses or utilizes any information for personal benefits or performs any action that may cause any conflict of interest, it shall be deemed as a severe offence and such employee or executive may be punished by disciplinary punishment.

- The company informs all directors and executives on their duties to report on personal securities holding and the of their spouses and minor children as well as to acknowledge on report of changes of securities holding in every trading, transfer, or acceptance of transfer within 3 working days after the date of trading, transfer or acceptance of transfer as defined by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. Directors and executives are required to submit the copy of the above report to the company's secretary on the same date that the report is submitted to SEC in order to propose to the meeting of the Board of Directors that is defined as one of agendas for acknowledging on the report on securities holding.

- The company defines that all directors and executives must report their own stake holding or that of related persons and such stake holding must involve with business management of the company, subsidiaries, or associated companies. The first report must be submitted within 30 days after being appointed as director or executive by using the defined report form. The following reports must be submitted within 30 days after any changing. All reports will be kept by the company's secretary and the company's secretary will submit the copies to the company's Preodent and the President of Audit Committee as defined by the criteria of the Office of the Securities and Exchange Commission.

The company also has the policy to prevent the illegal use of company's information by establishing some measures and prohibitions in order to prevent the use of any opportunity or information obtained from being directors, top managers, or employees for any personal benefit on company's securities trading or providing any internal information of the company to

outsiders for personal benefits on company's securities trading. All directors, top managers, or employees are also required to avoid or suspend company's securities trading within 1 month prior disclosing financial statement or important information that may affect to price of the company's securities. Directors and executives must report on securities holding to the meeting of the Board of Directors as defined by Section 59 of Securities and Exchange Act B.E. 2535 within 3 working days to the Office of the Securities and Exchange Commission for publishing to public further. Moreover, directors or top managers must report on their stake holding to the meeting of the Board of Directors.

### Policy on Conflict of Interest

The company has the policy on conflict of interest in order to maintain the ultimate benefits of the company and shareholders whereas directors and employees of the company as well as employees of subsidiaries and associated companies must avoid personal benefit seeking that may negatively affect to company performance for the company's benefits or be difficult for correct and efficient operations. All directors, executives, and employees are not supported by the company to make any related transaction that may cause any conflict of interest. However, in the event of any related transaction, it must be considered appropriately whereas the Board of Directors shall strictly supervise compliance with criteria, methods, disclose of information on related transaction of listed company, acquisition or distribution of important assets of the company, and compliance with accounting standards as defined by Accounting Association to meet with Securities and Exchange Act, regulations, notifications, orders, or terms of the Stock Exchange of Thailand under SEC.

### Guideline 7 : Ensure Disclosure and Financial Integrity

The Board of Directors highly emphasizes on disclosing news and information including financial information and other information that is not public information to public. The important information of the company consists of financial information and non-financial information. In 2019, disclosure of financial information, especially information on financial statements, is reviewed/audited by the auditor whether its subject matter is correct based on Generally Accepted Accounting Principles and approved by the Audit Committee/Board of Directors before disclosing to shareholders. The Board of Directors will report on their responsibilities towards financial report in Annual Report and disclose details on remuneration of the Board of Directors in the section of "Management Structure". To disclose nonfinancial information, the Company will disclose information based on the criteria of the Stock Exchange of Thailand and SEC including related transactions and Management's analysis via the website of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)) and website of the Office of the Securities and Exchange Commission ([www.sec.or.th](http://www.sec.or.th)) as defined by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission as well as the company's website ([www.tbsp.co.th](http://www.tbsp.co.th)). Information will be regularly updated in order to enable users to perceive news and information timely and conveniently for the ultimate benefits. In the event of any inquiry, users are able to contact Department of Investor Relation and Corporate Communication

(Tel. 02-784-5888 ext. 1103, email: Investor@tks.co.th) in order to enable all shareholders and stakeholders to obtain news and information equally. Moreover, the company also emphasizes on relationship with shareholders, general investors, and analysts therefore, the company defines that the company's information must be published to investors who are shareholders and those interested in holding the company's shares in the future. In 2019, the company's top managers and Investor Relation Department provide and inform the company's information to mass media, shareholders, investors, and analysts as follows:

1. Presenting information on Opportunity Day for twice.
2. Press Releases in the event that the company has any important investment activity or business activity.
3. Publishing news and analysis of the company via the company's website. (www.tbsp.co.th)

### **Guideline 8 : Ensure Engagement and Communication with Shareholders**

The Board of Directors realizes on importance of shareholders and the company also has the policy on equal and fair treatment of shareholders that is defined in Corporate Governance Policy of the company. Fundamental rights of shareholders are right on shares trading and transfer, right to perceive news of the business sufficiently, correctly, timely, and regularly, right in dividend payment, right to attend the meetings for voting on appointing and revoking directors, auditors. Shareholders must perceive criteria and guidelines on meeting attendance and sufficient information for consideration as well as participate in proposing nomination of directors, receive some opportunities to ask some questions in the meetings, and right to give a proxy to other person to attend the meeting. The company defines that the Annual General Meeting of Shareholders must be held every year within 120 days from the last day of accounting period of the company. In the event of any urgent necessity to consider on any special agenda that may affect to or related to any benefit of any shareholder, that must be approved by shareholders, the Board of Directors is able to call the Extraordinary General Meeting of Shareholders, case by case. In the meeting of shareholders, the company will consider on rights of shareholders as defined by laws as well as rights exercising without any infringement or depriving against any right of any shareholder as follows:

#### **• Prior the date of the meeting of shareholders**

The company has the policy to promote and facilitate shareholders in attending the meeting of shareholders as well as promote and facilitate institutional investors interested in investing with the company in the future.

The company will make and submit Invitation Letters of the Annual General Meeting of Shareholders to all types of shareholders with details on agendas and important information for consideration of shareholders as well as opinions of the Board of Directors on the minute of the previous meeting, Annual Report, all types of proxy consisted of Proxy A, Proxy B, and Proxy C as defined by the Ministry of Commerce. In addition, proxy methods must be explicitly specified with details on venue, date, time, and map of the venue. In Invitation Letter, details of documents that must be exhibited by shareholders on the meeting day will be informed in order to maintain the right

of attendance by sending Invitation Letters to all shareholders not less than 14 days in advance therefore shareholders will obtain sufficient information and news for making decision and giving resolutions correctly, completely, and transparently. These Invitation Letters will be announced on Thai newspapers for 3 consecutive days at least 3 days prior the meeting day. Moreover, shareholders are able to check all information on agendas of each meeting via the company's website that are published at least 30 days prior the meeting day in order to provide prior notice to shareholders for preparation.

For the Annual General Meeting of Shareholders, the company provides some opportunities to all shareholders to propose agendas and the list of persons to be elected as directors from September 1st, 2019 to November 30st, 2019. In the event of any additional agenda, it will be informed to all shareholders. In the event of any urgent case for maintaining any right or benefit of the company, Invitation Letter will be sent to all shareholders not less than 14 days in advance and the company will publish information supporting agendas in advance via the website of the Stock Exchange of Thailand and the company's website prior sending documents.

#### **• On the date of the meeting of shareholders**

On the date of the meeting of shareholders The company facilitates the shareholders who come to the meeting. By organizing a shuttle van service for shareholders The parking area of BTS Mo Chit and the MRT Cultural Center parking area at 6:30 AM - 8.00 AM to the meeting place of Synnex (Thailand) Public Company Limited after the meeting is completed. Shuttle van from 12.00 PM- 2.00 PM. and after completing the meeting. In addition, the company also provides some receptionists to provide sufficient information and check documents for registration. Moreover, the company also provides the meeting venue with sufficient space for supporting all shareholders in Bangkok or nearby provinces. Before commencing the meeting, criteria related to the meeting will be clarified, for example, meeting opening, voting, and shareholder's votes counting that must give resolutions in each agenda based on the company's regulations, etc. To count votes, the company will count votes of shareholders of all agendas in the meeting room and show the results of voting of all agendas explicitly in the meeting room. The company divides voting of each agenda clearly in order to maintain rights of shareholders. For vote counting, the company will inform the meeting of shareholders to ask for some volunteers to count votes in the Annual General Meeting of Shareholders and Annual Extraordinary Meeting of Shareholders and disclose the results of voting to the meeting before recording in the minutes. During meetings, attending shareholders are given with some opportunities to exercise their rights in maintaining their benefits by asking some questions, giving some opinions and suggestions, and voting in the meetings. Shareholders will exercise the right to make decision on some important issues that may affect to the company, for example, directors appointment and revoking, nomination of persons for electing as independent directors, approval on auditor, dividend allocation, cost reduction, or cost increasing, establishment or amendment of regulations, Memorandum of Association, and

special approval, etc. The company grants the rights to attending shareholders to vote in agendas that are under consideration without resolution after commencing the meeting. The company specifies stake holding of directors in Invitation Letters. In the meeting, in the event that any director has any stake or involve with consideration on any agenda, the Chairman of the Meeting will inform the attending shareholders prior considering on such agenda. Such director will not attend the meeting and not vote in such agenda. Moreover, in the meeting, the President, directors, and related executives are responsible for participating in the meeting of shareholders in order to reply all requisitions of shareholders. During the meeting, the Chairman of the meeting will provide some opportunities to shareholders to give their opinions and suggestions or ask some questions in all agendas independently before voting for the resolutions in order to make shareholders to perceive information and details on such agendas sufficiently. In any agenda with any inquiry or question, the company prepares some related personnel to reply all questions under responsibilities of the Board of Directors. In the meeting of shareholders, the Chairman of the Meeting will ask the meeting to consider on defined agendas as ordered in Invitation Letters

sent to shareholders in advance without any changing on such order and without other agendas besides those defined in Invitation Letters.

#### • After completing the meeting of shareholders

The company will disclose the results of voting of each agenda on the next day via Set Portal System of the Stock Exchange of Thailand and via the company's website. The company will make the minutes of the meetings of shareholders for informing the Stock Exchange of Thailand via Set Portal System within 14 days after each meeting as defined by the Stock Exchange of Thailand. Subsequently, the minutes will be published completely and appropriately consisted of minutes, voting, and questions of shareholders of all agendas via the company's website.

The company has the policy to disclose updated information via the company's website in order to make all shareholders perceive important and updated news and information of the company as well as information disclosed by the company under all regulations. After disclosing to the Stock Exchange of Thailand, such information will be published via the company's website in Thai and English.

## Listed Companies Assessment Results 2020

As the Company adheres to the principles of good corporate governance and business ethics in its management and continuous operation. And has developed the corporate governance level to be efficient and suitable for the company throughout the year 2020 the company has been assessed by various organizations as follows:

1. The company was evaluated from the Corporate Governance Report of Thai Listed Companies (CGR) project by the Thai Institute of Directors Association (IOD) for the year 2020 and the company scored 86 points in the Very Good (80-89 points)
2. The company received an assessment score of 100 points from the quality assessment of the 2019 Annual General Meeting of Shareholders (AGM Checklist) by the Thai Investors Association.
3. The company was selected to receive the Thailand Sustainability Investment (THIS) Award or the Sustainable Stock Award. For listed companies to pass the environmental, social and corporate governance (ESG: Environment, Social and Governance) criteria for the year 2019 for the fourth consecutive year
4. The company was certified by the Thai Private Sector Collective Action Coalition Against Corruption (CAC) committee on February 7, 2020.

## Auditor Fee

For the fiscal year 2020, the Company and its subsidiaries paid the audit fee to KPMG Phoomchai Audit Ltd., which the auditors worked for as follows:

Audit Fee	(Baht)
• Annual Audit Fee	1,182,000.00
• Quarterly Review Fee	396,000.00
<b>Total</b>	<b>1,578,000.00</b>

## Audit Fee of the Company's Subsidiaries

- Audit fee for the financial statements for the year 2020 of Thai British DPost Co., Ltd. is 250,000 baht.
- Auditing fee for the financial statements for the year 2020 of Thai British Security Printing Overseas Company Limited amounting to 32,000 baht.
- Audit fee for the financial statements for the year 2020 of T.K.S. Siam Press Management Company Limited in the amount of 1,025,000.00 baht.
- Audit fee for the financial statements of Marvel Pack Company Limited in the amount of 390,000.00 baht.

## Non-Audit Fee

The Company and its subsidiaries have not received other services from the audit firm that the auditor is affiliated with in the past fiscal year.





# 10 Social Responsibility

## Social Responsibility Policy

1. To enhance employees' capacity in terms of safety to reduce risk from on the job accidents.
2. To strengthen environmental management in order to build confidence in the community.
3. To support the activities of employees and communities by focusing on the creation of work and professions.
4. To enhance the efficiency of communications, particularly information on environmental management and emergency plan for the communities



## Compliance with 10 Principles of UN Global Compact

The UN Global Compact is a sustainable development network that promotes the participation of businesses in conducting business with social responsibility based on voluntary and actionable measures. It aims to create strategies and business practices consistent with the Ten Principles and to encourage action to support the United Nations (UN) goals, including the Sustainable Development Goals (SDGs), with Global Compact Network Thailand (GCNT) is a local network (Local Network) to drive action in Thailand.

In 2020, all over the world faced the coronavirus outbreak (COVID-19), which severely affected businesses. In the role that the company is a member of the association It is therefore a part in driving the implementation of the Sustainable Development Goals during the period such as working with the Association to set the direction of The Next Normal after Covid-19, attend the Thailand Business Leadership for SDGs seminar 2020, etc.

In addition, the company has adopted ten universal principles in its business operations and corporate social responsibility policy, in a framework of ten international principles covering human rights, labor, environment and anti-corruption issues:



Issues	Ten Principles	Company's Operational Guidelines
Human Rights	<ol style="list-style-type: none"> <li>1. Support and pay respect to human rights protection that is internationally declared under allowed jurisdiction.</li> <li>2. Always supervise the company's business not to participate in any infringement against human rights.</li> </ol>	<ol style="list-style-type: none"> <li>1. Define human right respecting in the company's Code of Conduct.</li> <li>2. Provide some communication channels and whistleblowing system to inform information on incorrect or illegal actions by establishing the measures to protect whistleblowers and mitigate damages of whistleblowers.</li> </ol>
Labors	<ol style="list-style-type: none"> <li>1. Promote and support freedom of association of migrant workers and certify the right of serious negotiation.</li> <li>2. Eliminate employment of labors with the age lower than criteria and forced labors in all forms.</li> <li>3. Seriously terminate child labor employment.</li> <li>4. Eliminate discrimination in labor employment and occupations.</li> </ol>	<ol style="list-style-type: none"> <li>1. Define treatment of employees in the company's Code of Conduct without any discrimination and exclusion.</li> <li>2. Have the policy not to employ child labors and forced labors.</li> <li>3. Support disabled person employment.</li> <li>4. Listen to opinions of employees by providing some communication channels, comment boxes, and whistleblowing system.</li> </ol>
Environment	<ol style="list-style-type: none"> <li>1. Support the guidelines on operational caution that may affect to environment.</li> <li>2. Volunteer to hold activities for promoting social responsibility upgrading.</li> <li>3. Promote development and transfer of eco-friendly technology.</li> </ol>	<ol style="list-style-type: none"> <li>1. Define business operation by considering on environmental impact by establishing the policy to conserve and reduce resources consumption and wastes as well as building consciousness on environmental conservation in work place and surrounding communities.</li> <li>2. Provide wastewater treatment system to control effects caused by product manufacturing and report to related government agencies.</li> </ol>
Anti-corruption	<ol style="list-style-type: none"> <li>1. Perform operations on anti-corruption, bribery, and offer on bribery in all forms.</li> </ol>	<ol style="list-style-type: none"> <li>1. Declare the intention on Private Sector Collective Action Coalition Against Corruption of the company and subsidiaries.</li> <li>2. Accredited by Thailand's Private Sector Collective Action Coalition Against Corruption Committee on February 7, 2020.</li> <li>3. Provide some communication channels and whistleblowing system on incorrect and illegal actions by establishing the measures to protect whistleblowers and mitigate damages of whistleblowers.</li> <li>4. The company makes Suppliers Code of Conduct in order to make business partners and trading partners of the company gain correct understanding for implementation under the same standard on co-business operation.</li> </ol>

## Analysis of Materiality Aspects for Sustainable Development

The company defines Materiality Aspects with opinion survey by making Questionnaire on Sustainable Development in order to collect data on participation of stakeholders including communities, employees, customers, suppliers, trading partners, shareholders, and government officials before prioritizing and analyzing issues with subject matters and influences on assessment and decision making of stakeholders in order to enable issues management to respond to demands of stakeholders appropriately.

### Issues in Reporting

**Issues Specification :** Data collected from internal and external stakeholders will be considered through the company's activities that are held throughout the year covering performance on Corporate Governance, Society, and Environment that are subject matters of the report.

**Prioritization :** Issues on success of the company are analyzes, prioritized, and selected based on expectation and interest of stakeholders in the form of Materiality Matrix

- **Corporate Governance**
  1. Corporate Governance
  2. Risk Management
  3. Taxation Management
  4. Supply Chain Management
  5. Compliance with Laws and International Standards
  6. Responsibility towards Consumers
  7. Researches and Development to Promote Business Innovations
- **Environment**
  1. Operations to Reduce Environmental Impact
  2. Sustainable Energy Management
- ▲ **Society**
  1. Occupational Safety, Health, and Work Environment
  2. Practices on Labors and Human Rights
  3. Personnel's Potential Development
  4. Participation in Social Development.

Significant Issues for sustainable development TBSP				
Significant to External Stakeholders			● Createnagement and develop together with customers	▲ Legal compliance And international standards ▲ Safety and occupational health at work
		▲ Participation In social development	● Business innovation ■ An operation To reduce the effect Environmental	▲ Labor and human rights practices ● Corporate Governance
		● Responsibility to consumers	■ Energy conservation and global warming reduction	
		▲ Join the tradition and local culture	▲ Personnel development potential	● Conduct business with fairness ● Risk management
Significant to TBSP				

## Guidelines on Operations for Sustainable Development

Therefore, the company applies the subject matters of sustainable development to establish the guidelines on sustainable development covering ESG (Environment, Society, and Governance). In addition, the company also strives to become the organization operating business by considering on stakeholders with responsibility on and participation in building value to society and environment.

### ● ESG (Environment, Society, and Governance).

#### 1. Corporate Governance (Governance)

- Have Governance Code in Corporate Governance of the company and business partners.
- Have anti-corruption policy and operations.
- Promote business to be operated and disclose information on ESG performance.
- Have fair procurement policy.
- Have Supplier Code of Conduct.
- Disclose performance to all investors thoroughly.

#### 2. Risk Management

- Evaluate all risk factors
- Manage business risk management and business operation plan continuously.
- Monitor and report the results to the Board of Directors.
- Build organizational culture on risk management.

#### 3. Taxation Management

- Have Tax Policy.
- Have assessment on Taxation Risk.

#### 4. Supply Chain Management

- Manage resources consumption efficiently.

#### 5. Compliance with Laws and International Standards

- Evaluate results, monitor, and audit system by internal and external auditors.

#### 6. Responsibility towards Consumers

- Have Product Recall procedures in case of any damaged product.

#### 7. Research and development to promote business innovation

- Create and drive innovation culture
- Organize activities to improve work processes to develop employees' potential and increase working system efficiency
- Promote access to information and public relations of technology news



- Promote participation and develop projects for conserving resources and environment.
- Support and emphasize on Green Culture
- Support and develop alternative energy consumption with no environmental impact in the factory.
- Publicize to make employees realize on environmental situations.



### ▲ Social

#### 1. Occupational Safety, Health, and Environment in Working

- Supervise Occupational Safety, Health, and Environment in Working
- Emphasize on safety as the first priority of working.
- Promote campaign and build realization on safety.

#### 2. Practices on Labors and Human Rights

- Have fair employment policy.
- Promote welfares of employees.
- Define treatment of employees in Code of Conduct of the company.
- Have the policy not to employ child labors and forced labors.
- Support disabled person employment.

#### 3. Personnel's Potential Development

- Provide training programs and develop professional skills of employees in all levels.

#### 4. Participation in Social Development

- Establish saving cooperative for employees.
- Provide scholarships to children of employees.

#### 5. Participation in Social Development

- Organize an online community flea market (Online)
- Support teaching materials for schools in the community And schools under the Border Patrol Police Headquarters in other provinces
- Consider choosing services in the community such as shuttle buses to employees Restaurants in the cafeteria, etc.
- Is the host of the annual unity ceremony for the chulakathin cloth offering 2020



### ■ Environment

#### 1. Operations for reducing environmental impact

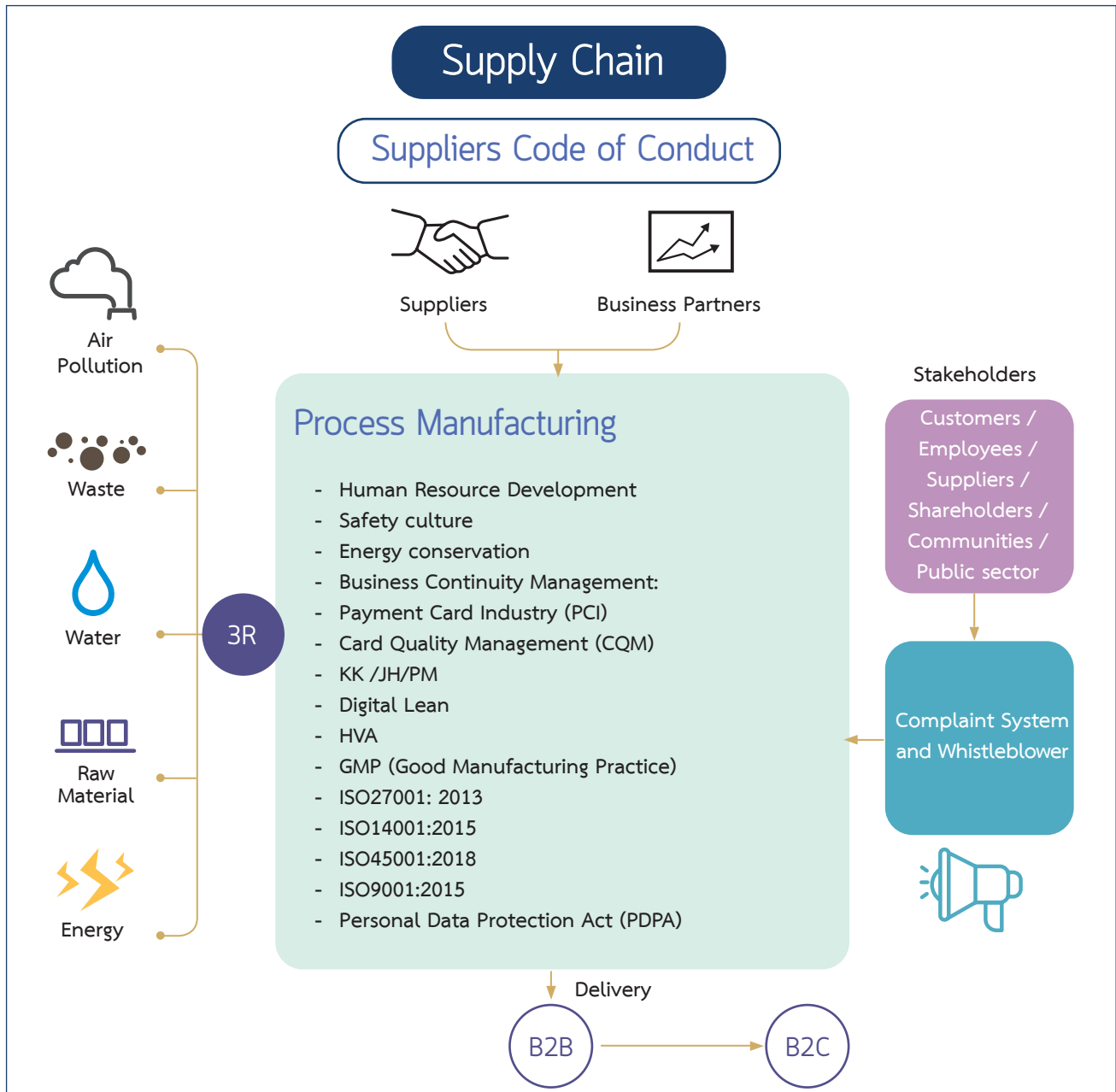
- Install wastewater treatment system.
- Have pollution elimination system from activated carbon vent.
- Transport and dispose wastes and wasted materials correctly and safely.
- Support the guidelines on reduction of environmental impact by emphasizing on internal and external participation.

#### 2. Sustainable Energy Management

- Promote technology in office building for saving energy and resources.



## Supply Chain Management

The company has supply chain management by connecting business relationship with stakeholders throughout product manufacturing process and services started from materials supplying to products and services delivery that are important for direct and indirect operations of the company. Therefore, the company emphasizes on upstream management to downstream management for making performance beneficial for all sectors by considering on environment, social, and economic impacts as well as Corporate Governance Code throughout the supply chain.







## Stakeholder Engagement

From analyzing on stakeholders in 2020 by considering on opinions of some important stakeholders affected by the company's operations given through survey channels, for example, listening to opinions from community, co meeting, survey on satisfaction, and whistleblowing, etc. Stakeholders of each group have different expectation and interests therefore the company establishes strategies and direction of responsibility to be consistent with such expectation.

Stakeholders	 Community	 Employees
Mission to stakeholders	<ul style="list-style-type: none"> <li>Community quality of life development and income generation including community</li> </ul>	<ul style="list-style-type: none"> <li>Care and attention to the environment around the plant</li> <li>Business direction and growth</li> <li>Create a good quality of life</li> <li>Create personnel to grow together</li> <li>Occupational Health and Safety</li> </ul>
Expectations of stakeholders	<ul style="list-style-type: none"> <li>Promote extra income for employees and communities</li> <li>Increase educational opportunities for students in the community</li> <li>Help people in the community when an emergency situation occurs</li> <li>Promote community activities to strengthen the relationship of people in the community</li> </ul>	<ul style="list-style-type: none"> <li>Environmental care in the factory area</li> <li>No complaints from the community</li> <li>Acknowledge the movement and direction of the company</li> <li>Compensation and benefits such as salary Welfare bonus</li> <li>Development of knowledge to increase potentials in line with the job characteristics and knowledge of employees</li> <li>Stability and progress</li> <li>Ensure a safe working environment</li> </ul>
Participation process	<ul style="list-style-type: none"> <li>Communicate about the company's environmental stewardship.</li> <li>Organize an online community market</li> <li>Support educational materials for schools in the community and schools under the Border Patrol Police Headquarters.</li> <li>Joining activities with the community, such as the Chulakathin cloth offering ceremony, etc.</li> <li>Annual community needs or comments survey</li> </ul>	<ul style="list-style-type: none"> <li>Communicate about the Company's environmental care through public relations boards in the community</li> <li>Survey the needs or comments every year.</li> <li>Provide information through town hall meetings and work-level meetings</li> <li>Adjustment of wage, bonus, and welfare</li> <li>Consultation meetings through the welfare committee meetings</li> <li>Explore employee satisfaction to measure employee engagement</li> <li>Develop employees using new information technology consistent with the future development trend of individuals</li> <li>Develop employee potential according to the characteristics of each person</li> <li>Promote employee knowledge about innovation</li> <li>Develop knowledge and skills of employees through internal and external training, including study visits from leading external organizations</li> <li>Emphasize on the job training of employees</li> <li>Promote the certification of qualifications of employees in the field</li> <li>Assess risk and provide a safe working environment</li> <li>Campaign on safety through activities such as Safety Day, Observation Survey, and Suggestion Safety</li> </ul>



 Customer	 Partner	 Shareholders	 Public sector
<ul style="list-style-type: none"> <li>• Product and service development</li> <li>• Presentation of new innovations and technologies</li> <li>• Increase confidence in maintaining customer data</li> <li>• Common social development</li> </ul>	<ul style="list-style-type: none"> <li>• Fair business practices</li> <li>• Care for work safety</li> </ul>	<ul style="list-style-type: none"> <li>• Create confidence for shareholders</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct business with transparency and minimizing impacts on the environment and communities</li> </ul>
<ul style="list-style-type: none"> <li>• Deliver quality products on time</li> <li>• Meet the needs of customers through products and services with new innovation and technology</li> <li>• Maintain customer confidentiality</li> <li>• Activities to strengthen the relationship together for social development</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritize employment of business partners in the area around the plant</li> <li>• On-time Payment</li> <li>• Communicate business ethics policy</li> <li>• Safe working environment</li> </ul>	<ul style="list-style-type: none"> <li>• Performance and business growth</li> <li>• Transparent management, verifiable</li> <li>• Relationship building activities</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance to the laws and regulations related to business operations</li> <li>• Wastewater quality and dust values not over the standard value</li> <li>• No complaints from the community</li> </ul>
<ul style="list-style-type: none"> <li>• Develop products and services to meet customer needs</li> <li>• Offer modern services and technology In order to fully respond to customers</li> <li>• Create convenient and faster channels for customers to contact/ complain/suggest</li> <li>• Conduct a satisfaction survey every year</li> <li>• Information Security Management System (ISMS)</li> <li>• Co-sponsored educational materials for schools under the Border Patrol Police Headquarters</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritize employment of business partners in the area around the plant</li> <li>• Procurement policy</li> <li>• Payment policy</li> <li>• Organize safety training “Safety Contractor” before entering the work at all times</li> <li>• Survey of business partners’ satisfaction</li> <li>• Business partners acknowledge the business ethics policy as a guideline for jointly conducting business</li> <li>• Business partners can work safely without accidents causing employees to have day off</li> </ul>	<ul style="list-style-type: none"> <li>• Organizing an annual general meeting of shareholders.</li> <li>• Disclose information in the annual report and website.</li> <li>• Organize Opportunity Day activities to announce the policy every quarter.</li> </ul>	<ul style="list-style-type: none"> <li>• Strictly comply with laws and regulations.</li> <li>• Prepare a sheet showing the effects of the work of the wastewater treatment system and report the dust value monthly</li> <li>• Sorting out plant waste, operate reused parts, and deliver non-reusable waste for disposal</li> </ul>

## Responsibility towards Consumers

### For compliance with laws and international standards

The company strives to manufacture quality products to meet with international standards while emphasizing on customers as our priority. The company is certified by Quality Management System (ISO9001:2015) and CQM (Card Quality Management). Since the company expands label products related to food products and medicines, the company performs operations until we are certified by GMP (Good Manufacturing Practice) Standard covering production process in order to ensure that products related to consumption are safe for health.

In addition, the company also emphasizes on information protection by creating Information Security Management System (ISMS)-ISO27001: 2013 in order to ensure that information of customers and company will be protected based on internal standards as well as creating management system based on PCI (Payment Card Industry for Card Production and Provisioning) Standard to ensure that the company is able to manage risks caused by information technology threats.

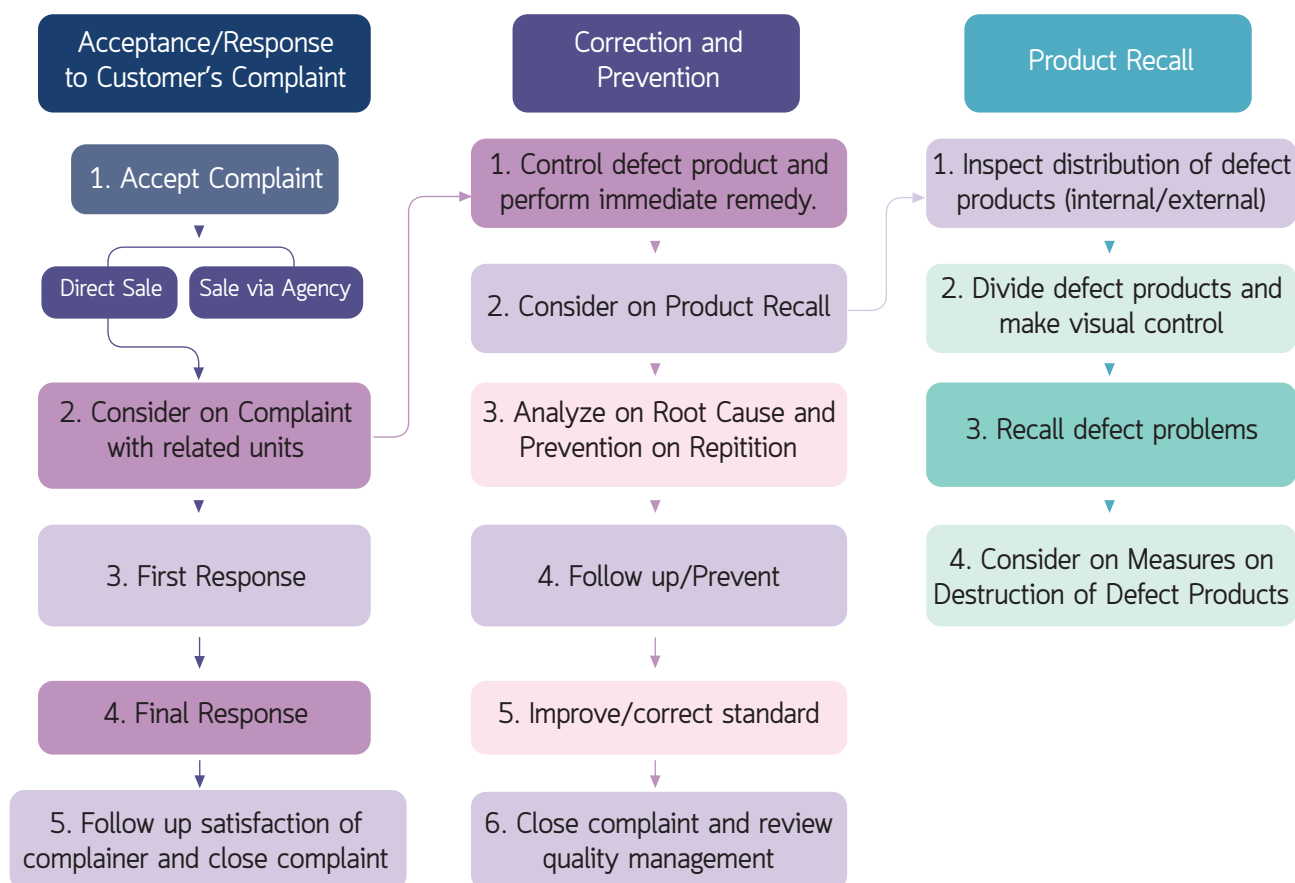
The company also emphasizes on environment and surrounding communities therefore the company holds some activities and strives to comply with ISO14001: 2015 Standard in order to conserve and protect environment for preventing resource and environmental problems that may affect to community. In addition, the company also complies with ISO45001: 2018 Standard in order to create activities for safety of all employees

and business partners and reducing risks on Occupational Safety, Health, and Environment inWorking. Consequently, employees are able to work confidently and happily.

Moreover, the company also has sustainable organizational management with the process on establishing the Risk Management Team to make employees realize on possible risks and apply to management for reducing risks as well as establishing a team for practicing emergency plan in the event of any accident based on the principles of BCM (Business Continuity Management) in order to make customers to be confident that the company can operate our business sustainably.

### Product Recall

The company always considers on responsibility towards consumers therefore the company has product quality control process based on laws and international standards in order to deliver the best products to customers. In addition, the company also strives to manufacture reliable products and services that are safe for life and health of consumers. The company has efficient consumer data storage system, customer relation management before and after selling, sufficient and actual provision of information to customers, and determination to conduct research and develop products to have good quality. In the event that it is found that any product is damaged or fail to meet with standards, the company will have the measures based on Product Recall procedures and management of substitute products manufacturing plan to reduce effects against customers as follows:



## Evaluation on Satisfaction of Customers

### “Be Customer’s Business Partner”

With the strategy of “Be Customer’s Business Partner”, the company strives to develop products and services to meet the highest demands of customers. Through the satisfaction assessment Customer complaints through customer service Together with the current situation and future market demand Every production process is delivered to the customer, therefore operating under the international standard management system certification. Without affecting the community and environment Build confidence in products and services

### Customers’ Feedback

With our intention to listen to customers’ feedback directly, the company provides VOC (Voice of Customer Management) system for gathering opinions and suggestions obtained from satisfaction assessment forms through Customer Visits and Whistleblowing system. The obtained feedback is analyzed and applied to establish problem solutions efficiently leading to products and services development for responding to demands of customers as many as possible.

### 2020 customer satisfaction survey results

The company pays attention to satisfaction. Comments and suggestions as well as obstacles to working together The company has conducted customer satisfaction surveys and summarized the results annually. To apply results to develop and improve products and services. Including the operation to be more efficient It covers the following issues.

1. Company’s overall picture
2. Sales and services
3. Product quality and delivery
4. Information system and data security
5. Loans and Finance



## Operations on Anti-Corruption

The Company emphasizes on anti-corruption by establishing the anti-corruption policy approved by the Board of Directors as the clear practical guideline in business operations and cultivating as corporate culture to be consistent with its ideology regarding “adherence to the principle of fairness” that the Company is responsible for fairness to all related parties as follows.

1. Establish and announce the anti-corruption policy for the companywide observance by communicating with all employees for acknowledgement and continuous compliance, cultivating for awareness on the act which may cause the corruption risk, analyzing indicators, regular assessing corruption risks, creating a preventive system, establishing Risk Mitigation and Control Procedure, defining the responsible persons and risk management monitoring, verification, and assessment measure to be used by the employees as practical guideline for the corruption

prevention.

2. Prepare Suppliers Code of Conduct to ensure that the suppliers and business partners properly understand and mutually use it as the business operation standard.

3. Declare the intention to participate as Thailand’s Private Sector Collective Action Coalition Against Corruption. However, the Company has reviewed the self-assessment form regarding an anti-corruption measure, and has been certified from the Committee of Thailand’s Private Sector Collective Action Coalition Against Corruption on February 7th, 2020.

4. Expand anti-corruption to the business partners/suppliers to ensure that the suppliers are informed about Suppliers Code of Conduct and use it as the business operation guideline which is useful and ready for creating the sustainable society and environment.

5. Prepare the communication channels and complaint and whistleblowing system in the act which is improper or violates laws by establishing a complainant protection and damage alleviation measures for the communication reporter, disseminating and providing knowledge according to the anti-corruption policy guideline.

To build awareness, understanding, and real implementation of the directors, executives, and employees according to the anti-corruption policy, and mitigate the corruption risks, the Company communicated, publicized, and did the additional activities in 2020 by organizing the awareness reinforcement activities, providing knowledge and proactive preventive system regarding anti-corruption as follows.

1. Preparing Ethics Test for the employees in the matter of virtue, ideology, code of conduct, and anti-corruption policy of the Company. The employees shall take the test until passing the criteria of 100% and analyze the test response of the employees by planning and communicating the testing result to the employees for proper understanding.

2. Cultivating the role, power, duty, responsibility & accountability awareness in risk management and best control according to Three Lines of Defense Guideline.

3. Organizing the seminars to provide knowledge, and the workshops for the contents in Code of Conduct Manual and the

case studies of the significant corruptions.

4. Self-assessment of the work units with high risks, such as Procurement Unit, Sales Unit, etc., according to Performance Assessment Form in Anti-Corruption Compliance to be used for assessing the Company's corruption risk. The Assessment Form specifies indicators/signals which may cause corruption, and Risk Mitigation and Control Procedure both in terms of system and employee compliance to ensure that the operators and superiors analyze risks and properly complies with the Control Procedure, take the self-assessment result for planning and improving the operation to be more efficient.

5. Assessing the internal control system of 2020 in the matter of corruption according to the COSO 2017 Principles.

6. Disseminating, communicating, and endeavoring to grasp the Code of Conduct Manual and the anti-corruption policy for all employees' acknowledgement and compliance with the Manual and policy, and publicizing via VDO Clip, as well as presenting the content relating to the proper compliance according to the Code of Conduct Manual and anti-corruption policy in the intranet system for the employees.

7. The Managing Director regularly meets the employees to clarify the information of the Company and the anti-corruption policy, and simultaneously gives them the opportunity to inquire for understanding.



## Monitoring on Compliance with Code of Conduct and Anti-Corruption Policy

to establish policies and provide efficient systems for supporting anti-corruption. Managing Director and Management are responsible for providing systems, promoting and supporting anticorruption policy for communicating with employees and related persons of all sectors in order to gain understanding and correct compliance as well as to review appropriateness of systems and measures to be consistent with changes of business, rules, regulations, and terms of laws regularly. Employees who commit any offence on corruption or violation against anti-corruption policy and Code of Conduct must be punished by disciplinary disciplines as defined by the company and legal punishment in case of illegal offences.

Internal Audit Unit always evaluates and monitors Corporate Governance, compliance with Code of Conduct, and anticorruption policy in every audit before reporting to the Audit Committee in every meeting.

## Whistleblowers Protection and Fairness

The company has established operating guidelines for receiving complaints and reporting clues. (Whistleblower) and user manual for complaints and whistleblower systems. (Whistleblower) for the Company and its subsidiaries since 2014, and the manual has been revised in 2019 to allow employees and stakeholders to report or provide information on irregularities in business operations. Violation of compliance with rules and regulations stipulated by law. Offenses of good governance corruption or actions that are unethical and the company's anti-corruption policy Which the reporter can follow up on the report

This is to build confidence among employees and stakeholders that reporting or giving information or giving clues that will not cause any damage to the complainant or the informant and will be protected in accordance with the protection and fairness criteria for those who provide information or provide clues that are useful for the company as specified by the company (Details are shown in measures, operation manual of the complaint and mitigation system for the reporter)

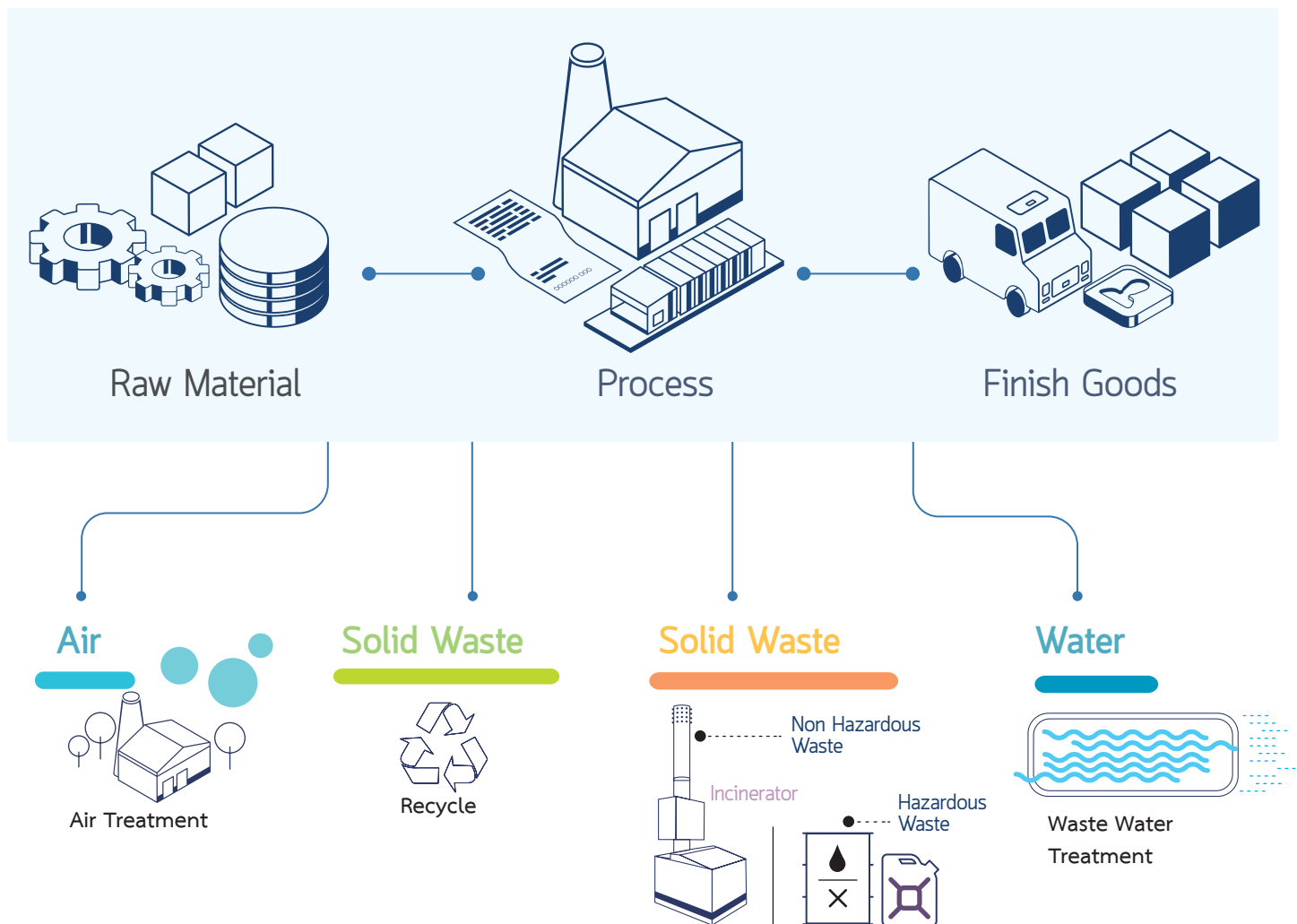
Therefore, mechanisms have been established for protection and mitigation of damages to those who report or provide unfair information. For company employees who can make a complaint through the internal website for employees (Intranet), the complaint will be kept as confidential as possible. The complainant is not required to disclose identity. Those who have suffered damage will be mitigated through a fair and reasonable process, with the Company stipulated that untrue complaints hurt others as a violation of discipline.

The company has clearly defined procedures for when receiving complaints, from gathering secret facts. Establishing a fact-checking working group Establishing an investigation committee Sanction Including the reporting of complaints. In 2020, the company has no cases of complaints from both external and internal through such system in the future. The company will bring complaints to improve work in order to determine preventive measures. The internal audit department will be responsible for monitoring, presenting and reporting progress to the Audit Committee.



## Environmental action

The Company focuses on carrying out work in parallel with environmental care, resulting in the Company being certified in the green industrial project level 4, creation of a green culture. In 2017, the Company focused on cultivating employees to pay attention to the environment in every activity, such as creation of a culture of safety, energy conservation, reduction of paper consumption and paper recycling including the use of recycled materials. In addition, the Company managed the pollution that affects the outside as follows:



### Waste and non-used material management

The company manages waste caused by production process without Zero Waste to Landfill by separating waste as hazardous waste and non-hazardous waste. Non-hazardous waste will be managed based on 3R Principles whereas hazardous waste will be disposed with legally permitted Refuse Derived Fuel (RDF) Company through correct and safe methods without any environmental impact (from the former method of cement kiln).

### Wastewater treatment

The Company focuses on managing operations to prevent chemical spill and waste disposal. Systematic waste emissions that cause water and air pollution are carried out under the law with installation of a high-quality wastewater treatment system which is monitored for treated water every month.

Waste	Process	Volume (2020)
Non Hazardous Waste	3R	4 Tons
Non Hazardous Waste	RDF	12 Tons

### Air pollution management from ventilation chimneys

The Company closely monitors and control chemicals and dust drained from the plant's ventilation chimneys by installing the activated carbon air treatment system to reduce the amount of chemicals and eliminate the smell of chemicals in the production process, providing a measure of the dust released into the environment, and comparing the dust value with the measurement and the standard values as announced by the Ministry of Industry. In the year 2020, the amount of dust emitted into the Company's environment does not exceed the standard value. With the results of measuring the air quality from the ventilation chimney as follows

Air quality from the vent chimney	Measurement results (ppm)	Standard (ppm)
Total Suspended Particulate	5.63 mg/m3.	400 mg/m3.
Sulfur Dioxide	1.04	500
Carbon Monoxide	1.00	870
Xylene	<0.01	200



Activated Carbon

## Sustainable energy management guidelines

The Company realizes the importance of continuous energy conservation. In addition to the establishment of the Energy Conservation Committee with the objective to control energy use within the plant, it disseminated knowledge and understanding of energy for employees to be aware of its value in the work area and at home. In 2020, the Company reduced energy consumption in all 2 plants as follows:

### Summary of electricity usage

Plant	Target 2019 (wH/unit)	Target Reduce energy 3%	Target 2020 (wH/unit)	Actual (wH/unit)
Poochao	45.86	Reduce energy per unit 3%	45.86	54.17 (+18.11%)
Bangpoo	40.08		51.85 (Jan-Mar)	51.85 (+11.77%)

### Use of solar energy

Solar Energy	Amount of electricity produced from Solar energy (Kwh/year)	Saving (Baht/year) Average : 4 Baht	Reduce Greenhouse gas emissions (CO2) GHG = unit x EF (EF : 0.5610 kg CO2)
Poochao	13,180	52,720.00	7,394.00

## Overview on Electricity Consumption

**Poochao Factory** The product has been changed. In addition, the amount of work has decreased. But the consumption of electricity remains the same as it is a chiller air conditioning system

**Bangpoo factory** Bangpoo factory does not use solar lights. Because the job site has been moved to TKS Samutsakhon

The company has the project to generate electric power from alternative energy for consuming in the factory and promoting sustainable energy consumption while helping to reduce air pollution by **7,394 kg CO2e./Year**

**Remarks:** CO2e or Carbon Dioxide Equivalents is a kind of tool that is used for comparing emission of various types of greenhouse gases based on capacity to cause global warming of each kind of gas.

## Overview of water usage

Plant	2019 Actual (Unit/Person)	2020 Actual (Unit/Person)
Poochao	30.74	21.93
Bangpoo	77.4	4.89 (Jan-Mar 20)

### Overview of water usage

Poochao Factory The water consumption is normal.  
Bangpoo plant, water consumption is lower due to the site / relocation of production to TKS Samut Sakhon.

## Energy Activities

The company drives and promotes energy conservation through operations of Energy Conservation Committee with the aim to reinforce and support the company to realize on energy saving and publicize energy saving and environmental conservation through activities throughout the year as follows:

Month	Activities
March	Activity "Designing Cool Cloth Mask to Fight Covid"
June	Activity "Open-close system Automatic air conditioning "
September	Activity "Campaign to save water, save electricity"



Cool fabric design ideas activity

Public relations activities to educate



## Employee Care

The company has taken care of employees under the happy workplace guidelines, especially the happy body (good health) and is physically and mentally healthy. Because it is believed that if human beings Having a healthy body will have a good mind. Ready to deal with Problems that will come as well. The company has established the badminton club. Let employees play sports after work and in 2020 there are activities Badminton match friendly with affiliates.



### การแข่งขันแบดมินตันกระชับมิตรฮาเฮ

@NTS Sport Complex





## Occupational Safety, Health, and Work Environment

The operations on Occupational Safety, Health, and Work Environment of the company has been fully supported by the Board of Directors and it is considered by employees as the important operational principles for preventing possible effects against employees, communities, and environment. In addition, it also helps to control and reduce possible losses against the company. Previously, the company performed operations based on efficient management process on Occupational Safety, Health, and Work Environment under management system on Occupational Safety and Health as defined by ISO 45001: 2018 Occupational Health and Safety Management System and ISO 14001: 2015 Environmental Management System

In the year 2020, the Company has adopted the Occupational Health and Safety Management Framework, ISO45001: 2018 system standard, to enhance the safety operation. Occupational health and work environment in parallel with the Company's business operations by announcing the policy For greater employee consultation and engagement Build a culture and safety behavior of employees. And arrange actions to increase employee awareness as follows

1. Management Team considers and reviews new policy on occupational safety, health, and work environment to cover all risks, legal compliance, and sustainable social responsibility as defined by ISO45001: 2018 Standard.
2. The company provides basic safety trainings to employees and suppliers before performing operations as well as safe driving trainings, first aid trainings, basic firefighting trainings, and safe electric operation trainings as defined by laws.
3. The company always provides communication to cover employees in all levels through PR boards, safety journals, TBSP Group on Line Application, Safety Contact and KYT making prior starting work or meeting, etc.
4. The company evaluates on risks and work opportunities as well as establishes Safety Observation Program in order to allow employees to participate in considering on safe operations and warn their colleagues when they find any possible risk that may harm their colleagues.
5. The organization of measures to control and prevent the spread of COVID 19 virus in 2020 strictly complies with laws and government measures as follows:

5.1 Screening of people inbound-outbound Factory by measuring temperature and filling detailed history

5.2 Site protection by providing a certain distance between people in the cafeteria and various sitting areas. Including installing hand washing points and alcohol gels on frequently touched points

5.3 Distribute masks to all employees. And issued announcements for employees to wear masks all the time

5.4 Provide for periodic spraying and disinfection inside the factory. And focus on the points that are frequently touched, such as the security guard, the entrance and exit of the factory, the dining room, the bathroom, the meeting room, the door knob, the corridor, the handrail, the stairs, etc.

5.5 Communication and public relations provide knowledge on the prevention of COVID 19 on a continuous basis.

5.6 Measures to report statistics on surveillance at risk groups Keeping history of illness And disease investigation to be able to check Timeline Of the employees as much as possible

5.7 Establish a COVID emergency response committee 19 Emergency plans to control if infected people are found in the factory. And provide drills for the COVID epidemic emergency plan, including preparing tools Equipment ready to tackle the COVID 19 outbreak.



Figure 1 Screening persons inbound-outbound factory



Figure 2 Communicate measures to protect yourself from COVID 19

With care in occupational health and safety in the work of employees In parallel with the development of a sustainable safety system As a result, employees can work safely without accidents that are severe to the time off (ZERO ACCIDENT 2020), which the company not only focuses on accidents caused by work but also And also outside accidents To help keep all employees safe both on and off work.



Accident statistics in 2010-2020

## Work Environment Management

The company emphasizes on work safety of employees and work environment in order to enable employees to work in safe environment on noise, lighting, chemicals, and dust. The company regularly inspects and improves quality of work environment in order to make our employees to work in good work environment.

### Work Environment Management on Noise

The company has followed up, inspected and supervised the sound work environment. By conducting an average noise level measurement of 8 working hours and comparing the measured noise level with the standard as announced by the Ministry of Industry, in 2020 the company has an average noise level of 8 hours in the working area of the manufacturing plant 2 areas not exceeding the standard values are as follows

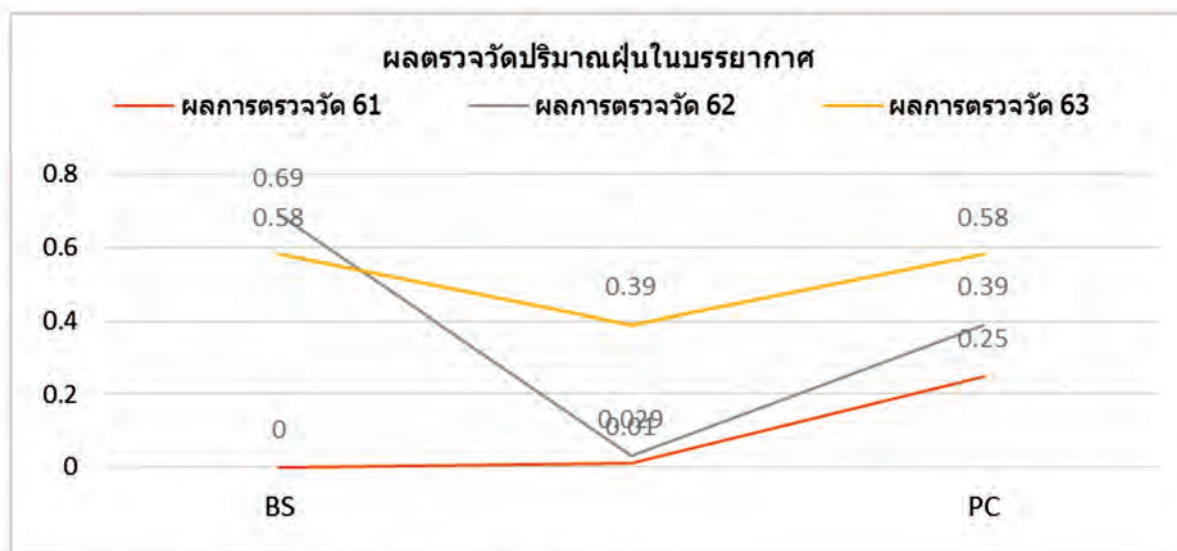
Noise level during 8 working hours	Measurement results dB(A)	Standard dB(A)
Production: Plastic Card	80	85
Production: Bureau Service	75	85



Measuring the noise level in the work area

## Measurement on Noise Level in Workplace

The company has followed up, inspected and supervised the working environment in terms of air and airborne dust. With suitable ventilation systems such as a dedicated hood Before being released through the chimney and have an annual measurement and provide airborne dust checks and compare with the standards of the Ministry of Industry, in which in 2020 the level of airborne particulates does not exceed the standard values as follows:



Standard(mg/m3) Carbon Black = 3 , Respirable Dust = 3 , Total Dust = 10

Dust measurement results in the work area

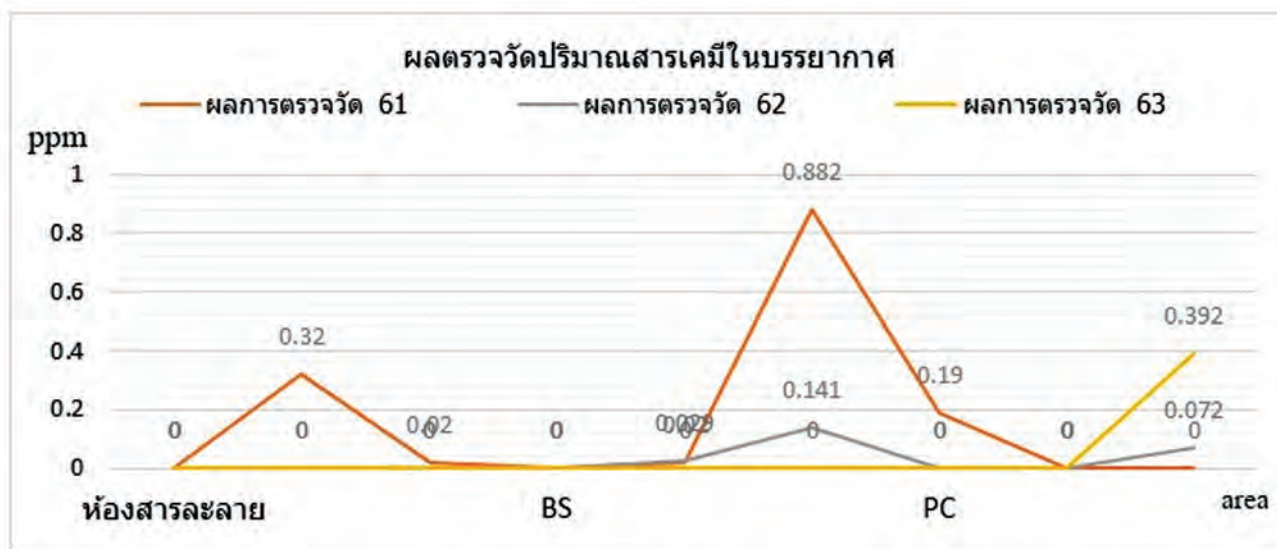


Illustration of dust measurement in the working area



## Chemical work environment management

The company has closely monitored, inspected and supervised chemical working environment. This is because employees will be able to inhale the scent of the chemicals in the working atmosphere. Therefore, a health check is provided to employees in the area working with chemicals. Found that the health examination results of employees are in the normal range and measure the amount of chemicals in the atmosphere It was found that the concentration of chemicals in the atmosphere was lower than the standard as follows.



Standard(ppm) Benzene = 0.5 , Toluene = 20 , Xylene = 100, Vinyl Chloride = 1, Styrene = 20, methanal = 200

The results of measuring the chemical content in the working area



Illustration for measuring the amount of chemicals in the working area

## Management of the lighting working environment

The company has followed up, inspected and supervised the working environment of lighting. By providing to install bulbs for lighting in the working area and measure the level of lighting in the working area and compare with the standards of the Ministry of Industry The results of the measurement of lighting in the working area meet the standard values. There is also a risk factor vision exam for employees who have to use their eyesight to examine the work piece at close range. Or need to use eyesight to control machines The employee's eye examination result is normal.



Measurement of lighting in the work area

## Labor and human rights practices

The company adheres to the principles of good governance. With business governance principles that ensure fairness to stakeholders and emphasizing on openness, transparency and verifiable, therefore, the board-style personnel management system has been applied to consider various matters both in terms of personnel management policy and employee supervision in the company.

### Employees recruitment and selection

The Company recruits and selects employees with the board system to be considered by the unanimous decision to emphasize the principles of fair selection without discrimination and to provide employees with knowledge,

### Wage and compensation management

Wage and compensation management are managed with regard to fairness to all parties. The Company realizes that wages and compensation are important factors in creating motivation and affect maintenance of employees with the Company. The Company therefore determines the wages and compensation management policy with adherence to the principle of fairness which considers duty responsibilities and the abilities of individual employees.

The Company provides welfare for employees under the laws and the benefits and needs of most employees by taking into account the capabilities of the Company and improving it in accordance with changes in social, economic, and business needs. In addition, the Company provides opportunities for employees to share opinions through the welfare committee in the workplace.

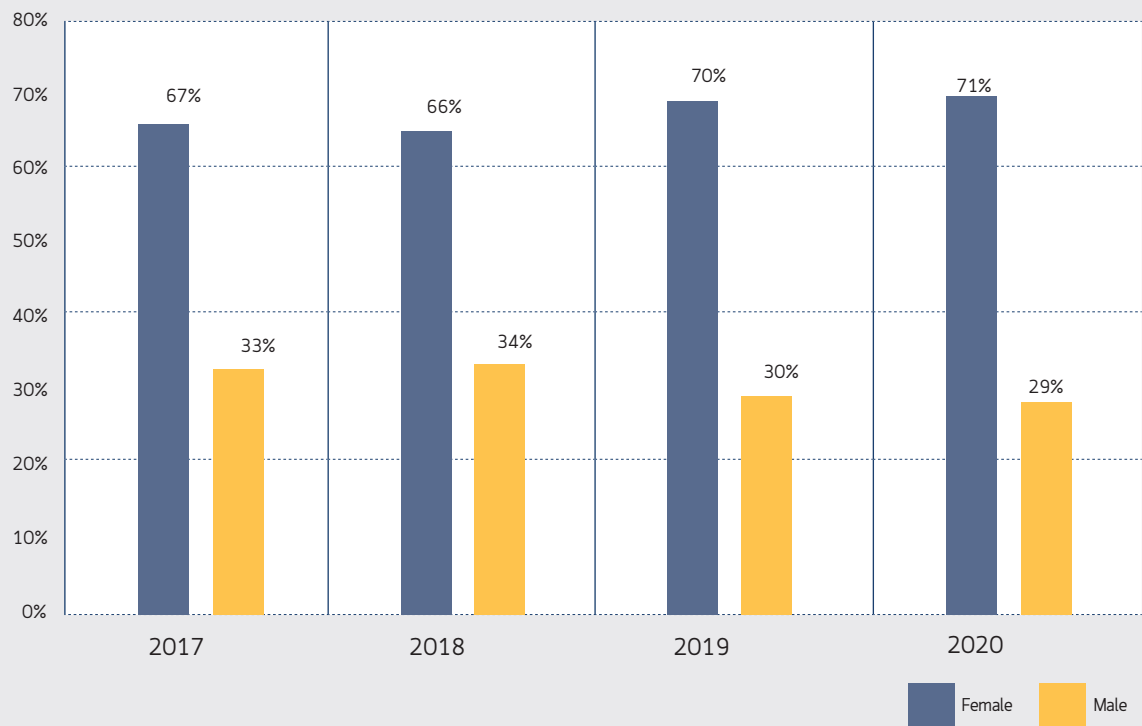
### Provident Fund

The Company registered the Provident Fund on 27 June 1990 according to the Provident Fund Act B.E. 2530 by Kasikorn Asset Management Company, which has been registered, in order to save money and create security for employees and their families and employees will also receive tax benefits. Employees can choose to pay accumulated funds to the fund, depending on the voluntary and employee's duration of employment.

### Physical Health Care for Employees

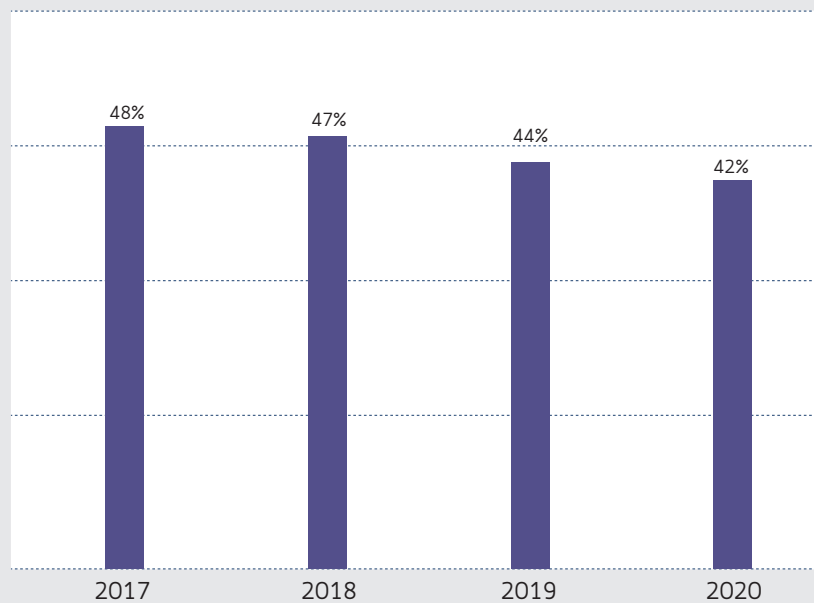
The company places great emphasis on taking care of employees to develop employees to have a good quality of life in various areas, especially related to safety. Occupational health and work environment Therefore providing medical benefits Annual health examinations and health examinations based on risk factors.





#### Employment rates 2017 - 2020

Due to the nature of business, the work has a relatively high resolution. Therefore, the employment rate of female more than males every year.



#### Proportion of employees in Samutprakarn 2017 - 2020

## Personnel's Potential Development

The company emphasizes on improving potential of personnel continuously that is consistent with our business direction in order to enable employees to perform their operations efficiently and be ready to deal with business changes. The company realizes on social responsibility and work safety therefore the company provides some trainings to develop internal and external personnel continuously.

### 70:20:10 Learning and Development Management

70% is learning from experiences, actual practices, and problem solving based on experiential learning or learning from new assignments or projects given by the superiors making employees to learn and practice various skills to complete works, for example, being Project Leader in Innovation Projects or Project Small Group, etc.

20% is learning from surroundings. It can be learned from coaching of supervisors or related persons as well as learning from specialists and study trips for developing and sharing experiences leading to team meeting for interactive learning. These methods are considered as Learning from Others.

10% is obtained from training. This learning is obtained from participating in internal and external seminars as defined by the company (Formal Learning), for example, workshops, etc.

### The guidelines on personnel development are as follows:

1. Basic training and development is the training plan under necessary program for employees, for example, work rules and regulations, disciplines, safety system, knowledge on international standard management systems (ISO9001, ISO27001, ISO14001, ISO45001, Card Quality Management (CQM), Payment Card Industry (PCI), Personal Data Protection Act (PDPA)), organizational ethics, and Corporate Governance, etc.
2. On the Job Training is conducted with training plan established by direct superiors. In addition, direct superiors will train employees based on their assignments in order to give them knowledge and skills to perform their assignments systematically and correctly.
3. Online training from SkillLane Institute where employees can access learning from anywhere. And can choose from more than 500 self-taught courses in marketing, information technology (IT and software), social skills (soft skills) and languages (languages)

## Participation with Communities and Society

The company pays attention to the responsibility towards the community. Society and Environment Both in the part that are directly related to the business process. And provide assistance to communities and societies that are beyond the corporate business processes at the same time

### Delivered 1000 sets of Face Shield masks to Chulalongkorn Hospital, Thai Red Cross Society.

The company is concerned with the health of healthcare workers during the coronavirus disease (COVID-19) outbreak to facilitate their duties. To be able to cope with and prevent the risk of infection. The Company donated 1,000 face shields to the Chulalongkorn Hospital of the Thai Red Cross Society.



Employees join the blood donation project for the year 2020 "On August 11, 2020 at the office of the industrial estate in collaboration with the Department of Blood Banking Medicine Faculty of Medicine Siriraj Hospital Mahidol University Organize a blood donation activity



The management team, led by Mr. Suphan Mongkolsuthee, Chairman of the Federation of Thai Industries and Ms. Chaiwat Utaiwan, Chairman of the Board of Directors of TBSP Public Company Limited, opened a pilot project to increase green areas within the company on Thursday. December 10, 2020, increase green space inside the factory and add resting spots for employees.





## Co-hosted the Kathina Ceremony of the Chulakathin Cloth for the year 2020

Co-hosted the Kathina Ceremony of the Chulakathin Cloth for the year 2020 to contribute to the construction of the Lanna architectural style temple at Tha Maduea Temple, District One Patong Chiang Mai Province On Friday 30 October 2020 and Saturday 31 October 2020





## Awards of pride

As a result of the performance in accordance with the corporate social responsibility policy, in 2020 the company has received various awards as follows:

**Outstanding Establishment Award for Safety, Occupational Health and Work Environment 2020** with Outstanding Safety Operation, None, with the company being one of the 536 establishments that meet the criteria for recognition. Good fit for safety by receiving awards as follows

TBSP Sales Office received a national honor award (Gold Level) for the third consecutive year.

TBSP Poochao Saming Prai Plant Received a national honor award (Diamond level) for the ninth consecutive year.



**SET Awards 2020** because of its outstanding business practices according to Sustainable Development Guidelines (SDGs) and is a model for organizations operating with stakeholders in all respects. As a result, the company was selected as one of 124 listed companies on the list of sustainable stocks or Thailand Sustainability Investment (THSI), receiving the award for the fourth consecutive year reflecting the commitment of TBSP to drive the business. There is sustainability. Emphasize the business potential for sustainable long-term returns



**Sustainability Disclosure Award 2020** for its commitment to sustainability and public disclosure through annual reports. And other forms of reports have earned the company the 2020 Sustainability Disclosure Award for its commitment to sustainability and to disclose its performance to the public through its annual report. And other forms of reports, resulting in the Company receiving the Sustainability Disclosure Award 2020, Acknowledgments Level (Sustainability Disclosure Acknowledgement) by ThaiPat Institute.



# 11 Internal control and Risk Management



The Company determines the international leadership vision of the manufacture of products and services for quality and efficient integrated anti-counterfeit by aiming at the development of new businesses and products to support the market tendency in the future, the development and addition of the product and service value to be over the customer expectation, the advancement and expansion of export, the enhancement of the efficiency in supply chain management process management for competitiveness, and the improvement of the employee potentials to be consistent with the Company's policies and directions, as well as the promotion of the social and environmental responsibilities. To enable to step toward leadership, the Company must have the efficient and effective governance, risk management, working compliance and internal control systems to be consistent with the international standards both of the working and information technology systems. The Company's Audit Committee performs its duty to control the compliance with the Company's governance, risk management, working compliance, internal control, internal audit policies by referring to the international working standards as follows.

- Good Corporate Governance referring to Organization for Economic Co-operation and Development (OECD)/Stock Exchange of Thailand/Thai Institute of Directors (IOD)
- Risk Management referring to COSO Enterprise Risk Management/ISO 31000
- Working Compliance referring to the laws and rules relating to working
- Internal Control referring to COSO Internal Control Framework 2013/COBIT5

The Company emphasizes on the internal control by focusing on the internal control systemization adequately and appropriately covering all activities for the business operations to achieve three areas of objectives as follows.

1. Operation - to ensure the efficient and effective management and the resource consumption, and property maintenance and prevention or reduction of error, damage, leakage, waste or corruption.
2. Reporting - to ensure that the financial reports and operating reports used inside and outside the organization are properly, transparently, reliably, and timely taken place.
3. Compliance - to ensure the strict compliance with laws, rules, regulations, and practices of the executive and work procedure determined by the Company for the Company's business operations.

## Enterprise Risk Management

The Company emphasizes on the risk management to achieve the objective of the business operations under the changes of both internal and external factors affecting the business. It shall be deemed that risk management is a significant element of all business operation processes of the Company. Therefore, the Company has determined to be the enterprise-wide risk management policy of which all employees must comply with and the risks in all levels are assessed. For the enterprise level risks, the systematic management shall be performed via the Company's working group under the main objective that all employees at all levels in the organization realize on the significance of the systematic enterprise risk assessment, the efficient planning of the said risk management, the ability to completely control and respond the assessed risks all around. Moreover, the efficient risk management is regarded as the key component of investment decision. All of the foregoing will lead to innovation creation and value addition to the organization, the shareholders and the stakeholders, and also contribute to the Company's ability of the sustainable growth.

## Risk Management Framework

The Company has referred to the Enterprise Risk Management of The Committee of Sponsoring Organizations of the Treadway Commission (COSO) which has been extensively accepted in international level for managing risk to be in acceptable level.

## Creation of the Enterprise Risk Management Culture

The Company well realizes that the enterprise risk management culture is the key element of the risk management success other than the availability of instruments and standards of good risk management since in case of discrepancy in understanding of everyone in the organization on the risk management framework or discrepancy in understanding the acceptable risk level of the Company or non-conformity of the conceptual framework with the risk management guideline of the Company, it may cause decision making errors. Therefore, the Company has established the guideline for the Major Enterprise Risk Management Culture as follows.

- The executive is the role model of risk management, and determines the person in charge of risk management in each division to be responsible for assessing all five areas of risks, for instance, business risk, financial risk, operational risk, rule compliance risk, and safety, health, and environmental risk.
- Determine the meeting agenda on risk regarding plan and monitoring the risk management assessment.
- Determine the communication for acknowledgement and awareness of the organizational personnel on risk management in the responsible section.

## Major Risks and Risk Management Strategies of the Company

### 1. Business Risk

The Company has exposed to risk from the changing business environment from expectation or planning both from adopting digital technologies into digital business transformation for survival from the wide digital disruption of the businesses. The COVID-19 pandemic situation has been an accelerating factor for more rapid changes particularly in the banking industry which is the key customer group of the Company with the modification of products and services to fulfill the change in the consumer and customer behavior according to the promotion and advancement from the government sector.

The Company establishes the risk response strategy by mitigating risks using Synergy derived from performing EBT to enhance the selling opportunity and reduce cost together with increase in competitiveness by developing new innovations to fulfill the customer requirements and adopting the automation system in manufacturing.

At the same time, the Company has advanced the sales of products in the category of security label and accelerated to generate sales volume in the primary customer base group. However, the Company has also accelerated the customer base in the food and beverage group, manufacturing industry group and cosmetic and medical supplies group, and presented the anti-design imitation solutions format.

### 2. Financial Risk

The Company has exposed to the risk from the normal business operations from the change in interest rate and foreign exchange rate, and from the breach of the requirements pursuant to the contract of the contractual parties. The Company has not held or issued the financial instrument which is derivative for speculating or trade.

#### 2.1 Interest Rate Risk

The Company has exposed none of risk due to the substantial change of interest rates. The Company acquires loan line from several financial institutions and compares interest rates of each financial institution to obtain the minimum interest rate.

#### 2.2 Foreign Currency Risk

The Company has exposed none of risk due to the substantial change of foreign currency. The Company has entered into the forward contract of the foreign currency. The term of the said transaction is not more than one year to prevent the risk of financial liabilities in foreign currency.

#### 2.3 Credit Risk

The credit risk is the risk of which the customer or contractual party is insolvent in settling debts to the Group pursuant to the agreed conditions upon maturity. The Company's credit management policy includes financial position analysis of all customers and credit limitation to be suitable for purchase-sales, regular customer meeting and credit monitoring from aging analysis.

#### 2.4 Liquidity Risk

The Company controls illiquidity risk by maintaining the cash and cash equivalents level to be adequate for the Group's operations and to reduce the impact from cashflow fluctuation.

### 3. Operation Risk

#### 3.1 Human Resource Management Risk for future growth support

The personnel's knowledge and expertise are regarded as importance of the business activity operations. The development of the employees' competence is to make them possess working knowledge and competence, and create culture for the employees' awareness on innovation and technology that increasingly plays the role of corporate engine. Thus, the Company has continuously improved the human resource management system to be consistent with the business strategies.

- Always communicate the policies and requirements, practical regulations and rules for acknowledgement of the employees.
- Facilitate the online study so that the employees can learn by themselves.

### 3.2 Risk from Integrated Management all over Supply Chain

The Company considers the risk factors covering all over supply chain starting from sales process, raw material supply process, manufacturing process, as well as services and delivery process. The monitoring is carried out via meetings to assess the production capacity, technologies, both internal and external situations for Business Continuity Management (BCM) and ability to support the emergencies which will be arisen to avoid the impact on manufacture of products or business operations of the Company that may affect the customers or business.

The Company normally exposes to risk from machine interruption during the manufacturing process. However, due to the Company's repair management, preparation of Preventive Maintenance Plan by establishing Machine Maintenance Procedure and Plan for maximum efficiency, the Engineering Unit is in charge of supervision, maintenance and improvement of machines to have more performance and efficiency. In addition, both internal and external trainings are organized to provide knowledge to the repair employees, and regularly and continuously assess and test the knowledge and competence to keep abreast of technologies.

### 3.3 Information Technology and Cyber Threat Risk

The Company is the operator of plastic card printing, and security printing/security label printing business. Therefore, it highly emphasizes on the safety of the customer information. The Company operates according to the International Standards of the Information Security Management System – ISO/IEC 27001:2013 on security of the data and information in the whole organization to create the customer confidence in prevention of leakage of the customer business confidential information, and control of Program/Software usability under control of IT Unit on programming and auditing of the whole organization to continuously prevent the infringement of unlicensed program usage to ensure non-systematic infringement of usability.

In addition, the change in the business operation style and working method that increasingly depends on the digital technologies, adoption of automatic system in factory and manufacturing process for increase of efficiency, intranet linkage of equipment and section information in the factory, affecting the risk of the business operations from cyber threat, such as attacking the infrastructure used in manufacturing process, being stolen of information, developing goods and products, trade information. Therefore, the Company establishes the e-policy and cyber safety plan covering the usability and prevention of cyber threat, such as information management and information classification, and encouraging and strengthening awareness on knowledge provision to the employees and monthly assessing risk with the computer system.

## 4. Rule and Regulation Compliance Risk

The rule and regulation compliance risk covers the risk of non-compliance with the rules outside and inside the organization, for instance, laws, regulations from local agencies, Department of Industrial Works, policies from the government agencies, corruption, violation of the Company's Code of Conduct, and activities affecting the reputation or incurrence of obligation with the third party. It is likely that the requirements or laws are always changed. In the case of non-compliance or incomplete or inconsistent compliance, it may affect the Company's reputation, punishment and fine, or lose the business opportunity.

The Company adheres to the strict compliance with laws, rules and regulations by assessing risk from non-compliance with the rules and regulations, and establishing a risk management measure under determination of the person in charge in closely monitoring the current laws and new laws, rules and regulations, and setting of the continuous monitoring and reviewing period framework to ensure that the Company is substantially not risky from this matter.

The Company continuously develops Compliance Framework for systematic compliance and management from the compliance process and monitoring process to be consistent with Risk Appetite "Zero breaches of any laws/pacts".

In addition, the Company always emphasizes on anti-corruption and cultivates as the corporate culture, and performs the activities to support the compliance with the anti-corruption policy and communicates to the employees at all levels for acknowledgement, for instance, training on corporate ethics, preparing "Ethics e-test" in the matters of the Company's ideology, ethics, and anti-corruption, and arranging the self-assessment pursuant to the operating assessment form for Anti-Corruption Compliance in order to continuously create awareness, provide knowledge, and prevent corruption.

## 5. Safety & Health & Environment Risk

From the occurred COVID-19 pandemic situation, the Company declared the COVID-19 pandemic preventive measure and declared the emergency particularly in the related areas for other employees that they shall peacefully stay in their own areas, via SMS ALL User. In addition, the time has been scheduled or the working hours of the employees in Production Division has been allocated to be consistent with the declaration of emergency situation.

The Company adopts the Occupational Health and Safety Management System (OHSAS 18001) and Occupational Risk Assessment System, nature of unsafe works, survey of risky spot and dangerous spot under Safety Observation Program, and establishes the preventive/corrective, monitoring measure for compliance with the work procedure of work safety, as well as constantly provides knowledge and understanding to the employees, suppliers and other related parties.

The Company issues the requirements of TBSP Safety Principles for 5 items and Life Saving Rules for 7 items as the practical guideline for work safety of the employees, and reinforces awareness and imposes penalty for the breaching person to ensure the behavioral adjustment until becoming the safety culture in the whole organization, and mitigate the risk from accident occurrence and work or working environment unsafety, illness in health and sanitation, that affect the condition of body and mind of the employees and suppliers. Therefore, the Company highly emphasizes to prevent risks before the said loss will occur.

## Internal Control

The Board of Directors, the Audit Committee, and the management determine that the Company's internal control shall be in line with the internal control framework of COSO 2013 whereas the Internal Audit Unit performs its duties to assess the adequacy of the Company's internal control system pursuant to Assessment Form of the Office of the Securities and Exchange Commission (SEC) (Assessment Form), and report to the management, and then propose to the Audit Committee for considering and giving consent before reporting the Board of Directors in the Board of Directors' Meeting No. 1/2021 on January 28th, 2021, and attended by three audit committee members.

The Board of Directors considered all items of Assessment Form and remarked that the Company's internal control system is adequately appropriate and effective for the Company's business operations according to laws and rules, and efficiently maintains the properties and consumes the resources without detection of the faults which are materiality relating to the internal control system.

The Company cultivates the management, supervisors, and employees to be aware of supervision, risk management, working compliance and internal control. The Board of Directors considered and deemed that the Company has had an adequate number of personnel in operations according to the said system, and has had the internal control system for adequately monitoring and controlling the operations of the subsidiaries for preventing the properties of the Company and its subsidiaries from misuse or no power of the directors or the management, and entry into the transactions with the persons who may have conflict of interests and the related parties.

The management on behalf of the supervisor next to the Board of Directors always encourages the development of tools to be consistent with the changing risks to create preventive system in business operations. Particularly in 2020, the management approved the principles or tools of supervision/control to be consistent with the changes of risks as follows.

### 1. Proactive Preventive System

The key factors causing the goal achievement and sustainable existence of the organization in the way that the employees must be moral and ethical in working to promote morality, ethics, and code of conduct of the employees. The Company has prepared the internal preventive system which is "Proactive Preventive System" consisting of:

1.1 "Ethics Test" for cultivating knowledge, creating awareness, enabling to properly, appropriately, and actually implement and apply the matters of morality, ideology, code of conduct, and anti-corruption policy, has still been carried out on continuous basis in 2020.

1.2. The guideline of "risk management and good control responsibility according to Three Lines of Defense Guideline" is an internationally accepted guideline. The Company promotes and advances the operators and the supervisors in the Company/work units (First Line), Support Unit (Second Line), and Internal Audit Unit (Third Line), reinforces awareness in various forms, for instance, assigning First Line in topmost hierarchy of the Company/work unit to communicate with the employees, holding workshop for adopting the guideline in real execution.

1.3. Communication of "the case study on corruption, breach of laws, rules, and the company policies and code of conduct" to the employees to be aware in working and preventing event recurrence.

### 2. Control Self-Assessment

The Audit Committee on behalf of the supervisor of the internal control effectiveness supports Control Self-Assessment to ensure that the business always initiates the preventive concept for the changing risks. The Company has carried out for a certain period of time to be consistent with the framework of the internal control of COSO 2013. The Internal Audit Unit considered the operating guideline as consultant of the Support Unit (2nd Line) and the operators (1st Line) in assessment of business risk assessment of internal control system adequacy and effectiveness, and sharing of the practices of success cases.

### 3. Complaint System

The Company continuously develops the complaint system for the employees and the external stakeholders for whistleblowing the breach of the principle of good corporate governance, Code of Conduct Manual, supervision, rules, regulations, laws, and anti-corruption and malfeasance policy. The employees can inform via Web Intranet and the external stakeholders inform via Website: [www.tbbsp.co.th](http://www.tbbsp.co.th), or inform in writing via e-mail, letter or suggestion box. The Company establishes the operating procedure upon accepting the clear complaints from confidentially collecting fact, setting the Fact Investigation Working Group, setting the Inquiry Committee, considering and approving the punishment, and reporting the complaint results. In addition, the complaints can monitor the complaint results via the system. The said system contributes to promotion of the moral business operations and more sustainable development.

## Internal Audit

The Audit Committee supervises the operations of the Internal Audit Unit to be independent and impartial, with code of conduct, and expertise like the professional one according to the internal audit professional standards accepted by international standards of the Institute of Internal Auditors (IIA), under the Charter of Audit Committee and Internal Audit Unit that clearly prescribes mission, working scope, power and duties and responsibilities, as well as the operating guidelines of audit, and yearly and regularly review for appropriateness.

Other than the Risk Based Audit Planning, the Audit Unit has developed audit works by focusing on creation of the preventive system which is useful for increasing the Company's efficiency and effectiveness, improving assurance, and advice, and business insight. The major operations in the year 2020 are as follows.

### 1. Sustainable and Continuous Development of Audit Works for High Value Services

#### 1.1 Advancement of Three Lines of Defense Guideline

Awareness is created and the Risk Management and Good Control Responsibility Guideline is advanced according to Three Lines of Defense Guideline by communicating to the superior and the operators for understanding their own roles and applying with their operations, as well as collaborating with Second Line for the operational integration and exchange of value

#### 1.2 Assessment of Internal Control Effectiveness according to COSO 2013 Guideline

The effectiveness and the efficiency of the Company's internal control is assessed to be consistent with COSO 2013 to achieve all three areas of the objectives in operation, reporting, and compliance with regulations and rules and consistent with Internal Control System Adequacy Assessment Form of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand (SEC), and proposed to the Audit Committee and the Board of Directors for approving and presenting in Annual Report and Form 56-1.

#### 1.3 Anti-Corruption

The Company always gives precedence to the business operations with transparency and fairness. In addition, the Company has formally declared the anti-corruption policy to the third party and communicated to the employees at all levels for acknowledgement and strict observance. The Company has still continuously aimed for execution according to the anti-corruption policy by assessing the risks in corruption occurrence and control for the work units with high risks and additionally communicating the employees for acknowledgement on penalty pursuant to Section 123/5 of the Organic Act on Counter Corruption.

### 2. Assessment of the Internal Audit Unit's Performance

The Internal Audit Unit determines the auditor's satisfaction assessment for the clear and efficient performance measurement to be consistent with the policies and plans. Key Performance Indicators (KPIs) are defined at not less than 85% of each audit project for the year 2020, which was satisfied and passed the defined criteria. The said assessment result is yearly proposed to the Audit Committee and used as the information for further improving the Audit Unit's operation.

### 3. Developing Auditor's Competencies

To develop business professionalism and know-how of the auditor, the Internal Audit Unit shall execute the following.

#### 3.1 Developing Internal Audit Global Knowledge (Internal Audit Global Knowledge)

- Monitor best practice of governance, risk management, working compliance and internal control of both domestic and foreign leading professional institutes for developing and applying in audit works to be consistent with the business operations.
- Continuously support both internal and external knowledge development and training to have knowledge and competence, and professional expertise in internal audit, and enhance skills in other necessary areas.
- Encourage and support self-development of the internal auditor by testing the certificate of audit profession or other professions relating to audit works.

#### 3.2 Business knowledge

- Develop Business Acumen to the auditor by the business representative and the third party to provide business acumen and major business changes to ensure that the auditor can assess the risks and give counsels which are actually practicable.

#### 3.3 Soft Side Development

- Organize the seminar of Soft Side Course for developing the ideas, changing the framework of belief and developing the new idea, strengthening collaboration in maximum adoption of self-potentials leading to planning for development and improvement to create value for their and organizational success and sustainable growth.







## 12 Related Transactions

The company realizes the importance of considering and approving the connected transactions or connected transactions. In order to be transparent and fair to all shareholders This is because it is a transaction that may cause a conflict of interest between the company and the connected person. During the year 2020, the Company has entered into related transactions between the company and the connected persons in accordance with the announcements of the Capital Market Supervisory Board and the Stock Exchange of Thailand Board. This is reported to the Audit Committee meeting every quarter. The Audit Committee has considered that The related transactions of the company for the year 2020 are in the course of normal business operation of the company and are in accordance with general trade conditions which are under the approval of the company's management as follows:

Relationship Nature of transaction	Business name	Type of transaction	Value (million baht)	
			2020	2019
Main company	T.K.S. Technologies PCL.	Purchases of raw materials	1.23	0.13
		Rental and service	0.71	-
Subsidiary Company	Thai British DPost Co., Ltd.	Sell products	11.36	41.53
	T.K.S. Siampress Management Co., Ltd.	Buy products	106.76	13.87
	Marvel Pack Co., Ltd.	Rental income	5.11	5.35
		Other income	4.60	5.94
		Interest income	0.09	-
Related parties	Myanmar Deco-TBSP Special Products Co., Ltd	Sell products	1.76	6.43
	Gofive Co., Ltd.	Buy products	3.28	-
	TITEC Co., Ltd.	Interest income	0.86	0.42
	Synnex (Thailand) PCL.	Service fee	2.71	0.91
	PT Automation (Thailand) Co., Ltd.			
	Prism Solutions Co., Ltd.			
	Next Capital Co., Ltd.			

The pricing policy for each item is explained below.

Items	Pricing policy items
Selling products	Cost plus marginal profit
Buying products	Market prices
Rental income	Price agreed upon by the contract
Other income	Price agreed upon by the contract
Interest income	The rate agreed upon in the contract is based on the bank's interest rate
Rental and service	Price agreed upon by the contract
Service fee	Price agreed upon by the contract

### Measures or procedures for approving related transactions

The company has established guidelines and procedures for considering and approving the connected transactions. Connected transaction or items that may have conflicts of interest to maximize the benefits of the company according to the law. The directors and executives are required to inform the company of their interests before the company considers any items, in which cases must be approved according to the rules and procedures of the law. The company's management will propose such matters to the Board of Directors or the shareholders' meeting, as the case may be, and disclose information to investors with transparency. The directors or executives who have conflict of interest will not participate in the consideration and approval of any particular transaction and will not attend the meeting and have no right to vote at the meeting for the agenda for consideration and approval of that particular item.

### Policy or trends in related transactions in the future

The company will continue to trade and sell products with related parties in the future. As such transactions are part of the company's normal business operations where the pricing is determined at cost plus marginal profit comparable to the market price, however, the company will take into account the maximum benefits that the company will receive. Receive is important for any transaction with a person who may have a conflict of interest, who is a director, executive or a person with a stake in a director or executive. The company will strictly follow the rules and procedures for approving related transactions.

# 13

## Management Discussion and Analysis



TBSP Public Company Limited (“the Company”) and its subsidiaries (“the Group”) would like to report the operating results for the year ended 31 December 2020 as audited by the authorized Company’s auditor as follows:

Description	Y2020		Y2019		YOY	
	MB	%	MB	%	MB	%
Revenue from sale of goods and rendering of service	1,614.53	100	2,187.87	100	(573.34)	(26.21)
Cost of sale of goods and rendering of service	1,234.09	76.44	1,703.16	77.85	(469.07)	(27.54)
Gross profit	380.44	23.56	484.71	22.15	(104.27)	(21.51)
Distribution costs and administrative expense	392.46	24.31	389.49	17.80	2.97	0.76
Net profit (loss) for the year	(16.89)	(1.06)	205.14	9.38	(222.03)	(108.23)
Basic earnings (loss) per share (THB)	(0.08)		1.20			

From the above numbers, revenue from sale of goods and rendering of service for the year ended 2020 has decreased when compared with the previous year due to the decreasing in sale of products in the banking and export sector from COVID-19 situation which is spreading since the ending of year 2019. However, as a result of the Group’s restructuring of printing business to consolidated with T.K.S Siampress Management Company Limited (“SPM”) which is a business combination under common control since Quarter 2/2020, the Group has an economy of scope, which helps to reduce production costs.

The Group’s has shown revenue from sales and services amounted to THB 1,614.53 million, a decrease of THB 573.34 million or 26.21% from last year, mainly caused by significantly lower revenues from Security Document Solution and Card Solution. Gross profit was THB 380.44 million, a decrease of THB 104.27 million or 21.51% from the last year. While distribution costs and administrative expense was THB 392.46 million, an increase of THB 2.97 million or 0.76% from the last year. As a result, net loss amounted to THB 16.89 million, a decrease of THB 222.03 million or 108.23% from the last year. The main factor causing the operating results in 2020 to change more than 20% from the last year was mainly caused by one-times expenses from restructuring of printing business.

## Financial Position

Description	31 December 2020	31 December 2019	YoY	
	MB	MB	MB	%
<b>Total Assets</b>	<b>1,933.33</b>	<b>2,042.33</b>	<b>(109.00)</b>	<b>(5.34)</b>
Cash and cash equivalents	128.67	61.52	67.15	109.15
Trade and other current receivables	328.89	458.81	(129.92)	(28.32)
Inventories	165.16	251.45	(86.29)	(34.32)
Fixed assets	1,245.27	1,196.33	48.94	4.09
<b>Total Liabilities</b>	<b>1,016.73</b>	<b>1,069.91</b>	<b>(53.18)</b>	<b>(4.97)</b>
Bank overdraft and short-term borrowing	409.00	417.03	(8.03)	(1.93)
Trade and other current payables	213.08	281.62	(68.54)	(24.34)
Long-term loans from financial institutions	166.50	220.52	(54.02)	(24.50)
Lease liabilities	151.34	26.87	124.47	463.23
Provision for employee benefits	67.51	113.12	(45.61)	(40.32)
<b>Total shareholders' equity</b>	<b>916.60</b>	<b>972.42</b>	<b>(55.82)</b>	<b>(5.74)</b>

Consolidated financial position as at 31 December 2020 represented healthy with total assets THB 1,933.33 million, decrease in 5.34% compared with ending 2019. While total liabilities accounted THB 1,016.73 million and total shareholders' equity showed at THB 916.60 million.



## 14 The Audit Committee's Report

The Audit Committee of TBSP Public Company Limited (Company) consists of three independent directors, whereas Mr. Krit Umpote is the Chairman of the Audit Committee, and Mrs. Pratana Mongkolkul, and Mr. Khun Prachuabmoh are the Audit Committee Members. All of three persons are the experts in various areas and knowledgeable and experienced enough to perform the duty in reviewing the financial statements' reliability.

During the year 2020, there were 7 meetings of the Audit Committee to perform the duties under the scope of responsibilities specified in the Charter of the Audit Committee approved by the Board of Directors, which is consistent with the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Audit Committee reported the meeting results to the Board of Directors every time as per the following summary.



## Review of the Company's Financial Report

The Audit Committee reviewed both quarterly and yearly financial reports. The auditor and the executive in Accounting and Finance quarterly convened to consider the correctness and reliability of the financial reports, the adequacy of disclosure of the information supporting financial statements, the appropriateness of the accounting policies selected for using, as well as the auditor's observations. The meetings were held particularly with the auditor without the meeting attendance of the management to discuss about the independence in duty performance and the opinions of the auditor. The auditor confirmed that the audit could be carried out according to the determined plan and guideline without obstacles or restrictions, and could independently express the opinions according to the Generally Accepted Auditing Standards.

According to the said duty performance, in the opinion of the Audit Committee, the Company's financial statements for the year ended 31 December 2020 are fairly proper in the materiality according to the Thai Financial Reporting Standards and adequately and appropriately disclose the information which is reliable and useful for the investors and the users of financial statements.

## Review of the Internal Control System

The Audit Committee reviewed the adequacy of the internal control system. The auditing result report of the Internal Audit Division was considered according to the approved plan. It was consistent with the reported assessment result of the auditor that none of weaknesses or faults which are materiality were detected. In addition, the internal control system assessment result of the management was considered according to the framework of the internal control guideline of The Committee of Sponsoring Organizations of the Tread way Commission (COSO) using "Adequacy of Internal Control System Assessment Form" as determined by the SEC to be proposed to the Board of Directors prior to disclosure in the Annual Report and the Annual Registration Statement (56-1)

In the opinion from the review of the Audit Committee, the Company's internal control system is appropriate, efficient and effective enough for business operations, without detection of the material issues which may affect the Company's business operations.

## Review of the Related Party Transactions or Transactions that may have Conflict of Interests

The Audit Committee reviewed the appropriateness relating to the practice for the entry into the related party transactions or the transactions that may have conflict of interests occurred during year in the Audit Committee Meeting's agenda, and reviewed to ensure that the information disclosure is proper, complete, and adequate according to laws and requirements of the Capital Supervisory Board and the Stock Exchange of Thailand to be assured that the said related party transactions are generally useful for the shareholders. In the opinion of the Audit Committee from the review, the related party transactions occurred during the year 2020 are the reasonable transactions with maximum benefit for the Company's business operations, and the information are properly, completely and adequately disclosed.

## Review of the Good Corporate Governance

In last year, the Audit Committee reviewed the efficiency and effectiveness on the good corporate governance and found that the directors, the management, and the employees have strictly complied with the established policies, and the directors and management are good models. In addition, the knowledge and understanding of the employees in ethics have been created and the policies have been applied with the subsidiaries based on the business suitability. However, the Company gave the shareholders the opportunity to propose the meeting agenda and nominate the candidate to be elected as the director in advance. It was apparent that none of shareholders proposed the additional meeting agenda and nominated the qualified candidate to be considered and elected as the director in advance at all

## Review of the Risk Management Assessment System

The Audit Committee and the management mutually reviewed the efficiency and effectiveness of the risk management process, and risk management policies, plans, and risk management guidelines that affect the Company's operations on regular basis, and suggested for the process development and improvement.

## Internal Audit

The Audit Committee reviewed the audit performance of the Internal Audit Division. The internal audit unit's duty performance was considered to ensure the efficient and effective audit on the internal control system and work procedure of the Company and its subsidiaries according to the internal standards. In addition, the annual internal audit plan and the suitability of the internal audit unit structure, audit process, and manpower were taken into account to ensure the efficient and effective operations; and the internal audit overseer was considered and approved for selection.

## Review of Corruption Auditing

During the year 2020, the Company has been certified from the Collective Action Coalition Against Corruption (CAC) Creation Project. The Company has carried out according to its intention which has completely and clearly been declared, and opened the whistleblowing channels of the third parties other than the acceptance of internal complaints of the employees, and had the complaint channels via website at [www.tbsp.co.th](http://www.tbsp.co.th) or via phone or e-mail or letter to the directors, the audit overseer, and the Company's Secretary. However, in the past 2020, none of complaints or whistleblowing relating to the corruption were informed to the Company. Nevertheless, all of the Audit Committee's Meetings, the Internal Audit Division shall regularly report the audit result of the anti-corruption.

## Appointment of the External Auditors and Audit Fee for the Year 2021

The Audit Committee considered selecting and proposing the appointment and considered the remuneration of the external auditors for the year 2021 from the qualifications, independence, knowledge and competence, and adequacy of the number of personnel, as well as the appropriateness of the remuneration. The Audit Committee proposed the Board of Directors to consider proposing and requesting the approval from the Shareholders' Meeting to appoint KPMG Phoomchai Audit Ltd. as the auditing firm of the Company for the year 2021, consisting of Miss Sureerat Thongarunsang (Certified Public Accountant Registration No. 4409), or Miss Thanyalux Keadkaew (Certified Public Accountant Registration No. 8179), or Mrs. Sirinut WimonSathit (Certified Public Accountant Registration No. 8413), as the Company's auditors for the year 2021; and approve the audit fee for the year 2021.

On behalf of the Audit Committee



(Mr. Krit Umpote)

Chairman of the Audit Committee



## 15 Report on the Board of Directors' Responsibilities for financial statements for the year 2020

The Board of Directors of Thai British Security Printing Public Company Limited is responsible for the financial statements of the Company and its subsidiaries, which have been prepared in accordance with financial reporting standards under the Accounting Act B.E. 2543, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. The Board considers the accounting policies pursued to be appropriate, and that they have been applied consistently with adequate disclosure of important information in the notes to the financial statements. The Company's external auditor has reviewed and audited the financial statements and expressed an unqualified opinion in the auditor's report.

The Board oversees and reviews corporate governance as well as establishes and maintains a proactive risk management system, anti-corruption policy, and internal control system to ensure that accounting records are accurate, complete and timely, and that the Company's assets are properly safeguarded against fraud and significant operational irregularities. The Board has appointed an Audit Committee consisting of independent directors to provide effective and efficient oversight of the financial statements, internal control system and internal audit. The Audit Committee's views are reported in its report in the Company's annual report.

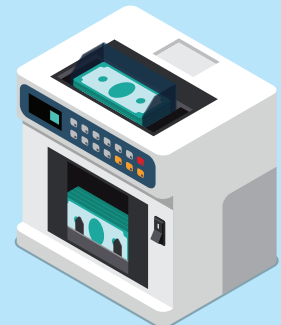
The Board is confident that the internal control system and the internal audit of the Company can ensure that the financial statements of Thai British Security Printing Public Company Limited and its subsidiaries present fairly the financial position, financial performance, and cash flows in accordance with Thai Financial Reporting Standards.

(Mr. Chaiwat Utaiwan)  
Chairman

(Mr. Pakpoom Pooudom)  
Director and Managing Director (Acting)



## 16 Financial Statements



**TBSP Public Company Limited  
and its Subsidiaries**

Financial statements for the year ended  
31 December 2020  
and  
Independent Auditor's Report





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## Independent Auditor's Report

### To the Shareholders of TBSP Public Company Limited

#### *Opinion*

I have audited the consolidated and separate financial statements of TBSP Public Company Limited and its subsidiaries (the "Group") and of TBSP Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2020 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

#### *Basis for Opinion*

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



### *Key Audit Matter*

Key audit matter is the matter that, in my professional judgment, was of most significance in my audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

Valuation of inventories	
Refer to Notes 4(g) and 9 to the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in the audit
The selling price of the Group and the Company is subject to the highly competitive market conditions. The Group and the Company have a risk that net realisable value of inventories will be lower than cost. The Group and the Company measure their inventories at net realisable value by comparing the cost of inventories against net realisable value to consider the allowance for decline in value which involve management's judgment. This is a focus area in my audit.	My audit procedures included inquiring of the management who is responsible for this area to obtain an understanding of the Group's and the Company's procedures in relation to measuring the net realisable value of their inventories. Apart from this, my procedures included testing calculation of the measurement of net realisable value of inventories by comparing the cost of inventories against expected net realisable value (i.e. selling price in the latest invoice less costs to sell). In addition I also considered the adequacy of disclosures in relation to inventories in the consolidated and separate financial statements.

### *Emphasis of Matter*


I draw attention to note 6 to the financial statement describing the effect of the business combination under common control. The consolidated statement of financial position as at 31 December 2019, which is included as comparative information is a component of the audited financial statements as at and for the year ended 31 December 2019 after making the adjustments as described in note 6. My opinion is not modified in respect of this matter.

### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made. 





### *Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.



I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Sirinuch Vimolsathit)  
Certified Public Accountant  
Registration No. 8413

KPMG Phoomchai Audit Ltd.  
Bangkok  
1 March 2021



# TBSP Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated			Separate	
		financial statements			financial statements	
		31 December		1 January	31 December	
		2020	2019	2019	2020	2019
			(Restated)	(Restated)		
				(in Baht)		
Current assets						
Cash and cash equivalents	8	128,665,787	61,523,953	37,086,030	99,092,333	26,427,445
Trade and other current receivables	7, 26	328,885,141	458,811,446	356,420,823	191,619,413	249,581,407
Inventories	9	165,161,061	251,453,817	220,641,877	80,649,578	168,790,799
Current portion of long-term loan						
to related companies	7	-	1,873,244	71,300,000	3,000,000	4,873,244
Current tax assets		18,410,869	22,390,034	26,165,368	14,726,537	9,988,134
Total current assets		641,122,858	796,052,494	711,614,098	389,087,861	459,661,029
Non-current assets						
Investment in subsidiaries	10	-	-	-	339,769,145	74,254,160
Investment in joint ventures	11	-	7,170,758	21,180,131	-	-
Long-term loan to related company	7	-	13,115,106	-	-	13,115,106
Investment properties	12	14,335,452	16,915,045	14,753,496	-	-
Property, plant and equipment	13	1,039,691,923	1,141,748,063	1,196,222,641	629,332,881	667,071,884
Right-of-use assets	15	156,563,630	-	-	28,407,496	-
Intangible assets	14	34,682,117	37,668,594	38,509,797	27,852,365	31,413,190
Deferred tax assets	23	25,262,584	26,768,573	24,225,688	24,970,209	17,986,698
Other non-current assets		21,674,544	2,891,072	12,754,325	227,291	1,492,011
Total non-current assets		1,292,210,250	1,246,277,211	1,307,646,078	1,050,559,387	805,333,049
Total assets		1,933,333,108	2,042,329,705	2,019,260,176	1,439,647,248	1,264,994,078

The accompanying notes are an integral part of these financial statements.



# TBSP Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		31 December	1 January	31 December	
		2020	2019 (Restated)	2019 (Restated)	2020
					2019
				(in Baht)	
<b>Current liabilities</b>					
Bank overdraft and short-term borrowing					
from financial institutions	16, 26	409,000,000	417,033,803	204,735,884	190,000,000
Trade and other current payables	7	213,075,523	281,619,080	272,204,324	144,243,736
Current portion of long-term loans					
from financial institutions	16, 26	54,000,000	90,018,334	90,493,333	54,000,000
Current portion of lease liabilities					
(2019: Current portion of finance lease liabilities)	26	42,780,122	8,337,335	9,672,580	15,843,600
Current provisions for employee benefits		-	3,929,126	3,339,626	-
Other current liabilities		4,506,820	4,759,242	3,872,948	4,213,981
<b>Total current liabilities</b>		<b>723,362,465</b>	<b>805,696,920</b>	<b>584,318,695</b>	<b>408,301,317</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions	16, 26	112,500,000	130,500,000	220,518,333	112,500,000
Lease liabilities					
(2019: Finance lease liabilities)	26	108,561,242	18,530,128	10,244,257	13,212,563
Deferred tax liabilities	23	4,802,473	5,995,759	6,582,574	-
Non-current provisions for employee benefit	17	67,507,742	109,188,918	93,232,735	37,495,383
Other non-current liabilities		-	-	600,000	-
<b>Total non-current liabilities</b>		<b>293,371,457</b>	<b>264,214,805</b>	<b>331,177,899</b>	<b>163,207,946</b>
<b>Total liabilities</b>		<b>1,016,733,922</b>	<b>1,069,911,725</b>	<b>915,496,594</b>	<b>571,509,263</b>
					<b>573,609,077</b>

The accompanying notes are an integral part of these financial statements.

**TBSP Public Company Limited and its Subsidiaries**
**Statement of financial position**

		Consolidated financial statements			Separate financial statements	
		31 December		1 January	31 December	
		2020	2019 (Restated)	2019 (Restated) (in Baht)	2020	2019
<b>Liabilities and shareholders' equity</b>	<i>Note</i>					
<b>Shareholders' equity</b>						
Share capital	18					
Authorised share capital		204,220,357	110,000,000	110,000,000	204,220,357	110,000,000
Issued and paid-up share capital		204,220,357	110,000,000	110,000,000	204,220,357	110,000,000
Share premium on ordinary shares	18	1,342,754,463	165,000,000	165,000,000	1,342,754,463	165,000,000
Differences arising from business combination under common control	6	(944,515,960)	-	-	(972,016,870)	-
Retained earnings						
Appropriated						
Legal reserve	19	11,000,000	11,000,000	11,000,000	11,000,000	11,000,000
Unappropriated		304,045,429	355,990,726	294,891,325	282,180,035	405,385,001
Other components of equity		(905,103)	(905,103)	(905,103)	-	-
<b>Total equity attributable to owners     of the parent</b>		<b>916,599,186</b>	<b>641,085,623</b>	<b>579,986,222</b>	<b>868,137,985</b>	<b>691,385,001</b>
Former shareholder before business restructuring		-	331,332,357	523,777,360	-	-
<b>Total shareholders' equity</b>		<b>916,599,186</b>	<b>972,417,980</b>	<b>1,103,763,582</b>	<b>868,137,985</b>	<b>691,385,001</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,933,333,108</b>	<b>2,042,329,705</b>	<b>2,019,260,176</b>	<b>1,439,647,248</b>	<b>1,264,994,078</b>

The accompanying notes are an integral part of these financial statements.

# TBSP Public Company Limited and its Subsidiaries

## Statement of income

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
Note		2020	2019	2020	2019
		(Restated)			
		(in Baht)			
Revenue from sale of goods and rendering of services	7, 20	1,614,529,344	2,187,870,071	713,678,765	1,037,661,371
Cost of sale of goods and rendering of services	7, 9	(1,234,088,917)	(1,703,163,711)	(582,654,826)	(832,054,568)
<b>Gross profit</b>		<b>380,440,427</b>	<b>484,706,360</b>	<b>131,023,939</b>	<b>205,606,803</b>
Gain on sale of fixed assets		1,222,769	151,115,216	887,712	150,862,007
Other income	7	25,220,478	25,032,867	14,908,021	15,576,024
Distribution costs		(92,987,406)	(111,209,315)	(60,018,025)	(70,203,819)
Administrative expenses	7	(299,477,310)	(278,281,751)	(171,728,946)	(107,645,635)
<b>Profit (loss) from operating activities</b>		<b>14,418,958</b>	<b>271,363,377</b>	<b>(84,927,299)</b>	<b>194,195,380</b>
Finance costs		(20,072,502)	(16,622,836)	(10,652,331)	(10,073,654)
Share of loss of joint ventures	11	(7,170,758)	(8,241,476)	-	-
<b>Profit (loss) before tax expense</b>		<b>(12,824,302)</b>	<b>246,499,065</b>	<b>(95,579,630)</b>	<b>184,121,726</b>
Tax (expense) income	23	(4,066,202)	(41,359,016)	9,961,742	(24,182,754)
<b>Profit (loss) for the year</b>		<b>(16,890,504)</b>	<b>205,140,049</b>	<b>(85,617,888)</b>	<b>159,938,972</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		(13,017,007)	132,511,076	(85,617,888)	159,938,972
Former shareholder before business restructuring		(3,873,497)	72,628,973	-	-
		<b>(16,890,504)</b>	<b>205,140,049</b>	<b>(85,617,888)</b>	<b>159,938,972</b>
<b>Basic earnings (loss) per share</b>	24	<b>(0.08)</b>	<b>1.20</b>	<b>(0.52)</b>	<b>1.45</b>

The accompanying notes are an integral part of these financial statements.



# TBSP Public Company Limited and its Subsidiaries

## Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2020	2019	2020	2019
		(Restated)			
		(in Baht)			
Profit (loss) for the year		(16,890,504)	205,140,049	(85,617,888)	159,938,972
Other comprehensive income					
Items that will be reclassified to profit or loss					
Share of other comprehensive income of joint ventures		-	59,002	-	-
Items that will not be reclassified to profit or loss					
Gains on remeasurements of defined benefit plans	17	13,214,640	6,277,788	14,891,152	3,813,735
Income tax relating to items that will not be reclassified	23	(2,642,930)	(1,022,441)	(2,978,230)	(762,747)
Total Items that will not be reclassified to profit or loss		10,571,710	5,255,347	11,912,922	3,050,988
Other comprehensive income for the year, net of tax		10,571,710	5,314,349	11,912,922	3,050,988
Total comprehensive income (expense) for the year		(6,318,794)	210,454,398	(73,704,966)	162,989,960
Total comprehensive income (expense) attributable to:					
Owners of parent		(2,445,297)	135,899,401	(73,704,966)	162,989,960
Former shareholder before business restructuring		(3,873,497)	74,554,997	-	-
		(6,318,794)	210,454,398	(73,704,966)	162,989,960

The accompanying notes are an integral part of these financial statements.



**TBSP Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

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The accompanying notes are an integral part of these financial statements.

**TBSP Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

Consolidated financial statements							
		Retained earnings		Other components of equity		Total equity	
		Differences arising				attributable to	
		from business		Changes from		owners of	
		combination under		shareholders		the parent	
		common control		Unappropriated		shareholder	
				(in Baht)		before business	
		Share		Appropriated		restructuring	
		premium on		Legal reserve		shareholders'	
		ordinary shares				equity	
Note	Issued and paid-up share capital	Share premium on ordinary shares	Differences arising from business combination under common control	Appropriated Legal reserve	Unappropriated	Former shareholder before business restructuring	Total
Year ended 31 December 2020							
	110,000,000	165,000,000	-	11,000,000	355,990,726	(905,103)	641,085,623
6	-	-	-	-	-	-	641,085,623
	110,000,000	165,000,000	-	11,000,000	355,990,726	(905,103)	331,332,357
							331,332,357
Balance at 1 January 2020 - restated							
Transactions with owners, recorded directly in equity							
Distributions to owners of the parent							
25	-	-	-	-	(49,500,000)	-	(49,500,000)
	-	-	-	-	(49,500,000)	-	(49,500,000)
Changes in interests from business restructuring							
6	94,220,357	1,177,754,463	(944,515,960)	-	-	(327,458,860)	-
	94,220,357	1,177,754,463	(944,515,960)	-	-	(327,458,860)	-
Total transactions with owners, recorded directly in equity							
	94,220,357	1,177,754,463	(944,515,960)	-	(49,500,000)	(327,458,860)	(49,500,000)
Comprehensive income for the year							
	-	-	-	-	(13,017,007)	(3,873,497)	(16,890,504)
	-	-	-	-	10,571,710	-	10,571,710
	-	-	-	-	(2,445,297)	(3,873,497)	(6,318,794)
	204,220,357	1,342,754,463	(944,515,960)	11,000,000	304,045,429	(905,103)	916,599,186
						-	916,599,186

**TBSP Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

	Separate financial statements					
		Issued and paid-up share capital	Share premium on ordinary shares	Differences arising from business combination under common control	Retained earnings	
					Appropriated Legal reserve	Unappropriated
	Note			(in Baht)		Total shareholders' equity
<b>Year ended 31 December 2019</b>						
Balance at 1 January 2019		110,000,000	165,000,000	-	11,000,000	317,195,041
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the parent</i>						
Dividends	25	-	-	-	-	(74,800,000)
<i>Total distributions to owners of the parent</i>		-	-	-	-	(74,800,000)
<b>Comprehensive income for the year</b>						
Profit or loss		-	-	-	-	159,938,972
Other comprehensive income		-	-	-	-	3,050,988
<b>Total comprehensive income for the year</b>		-	-	-	-	162,989,960
<b>Balance at 31 December 2019</b>		<b>110,000,000</b>	<b>165,000,000</b>	<b>-</b>	<b>11,000,000</b>	<b>691,385,001</b>

The accompanying notes are an integral part of these financial statements.



**TBSP Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

		Separate financial statements						
		Retained earnings						
Note		Issued and paid-up share capital	Share premium on ordinary shares	Differences arising from business combination under common control	Appropriated		Total shareholders' equity	
					Legal reserve	Unappropriated		
(in Baht)								
Year ended 31 December 2020								
Balance at 1 January 2020		110,000,000	165,000,000	-	11,000,000	405,385,001	691,385,001	
Transactions with owners, recorded directly in equity								
Distributions to owners of the parent								
25	Dividends	-	-	-	-	(49,500,000)	(49,500,000)	
Total distributions to owners of the parent								(49,500,000)
Changes in interests from business restructuring								
6	Impact of business restructuring	94,220,357	1,177,754,463	(972,016,870)	-	-	299,957,950	
Total changes in interests from business restructuring								299,957,950
Total transactions with owners, recorded directly in equity								250,457,950
Comprehensive income for the year								
	Profit or loss	-	-	-	-	(85,617,888)	(85,617,888)	
	Other comprehensive income	-	-	-	-	11,912,922	11,912,922	
Total comprehensive income for the year								(73,704,966)
Balance at 31 December 2020		204,220,357	1,342,754,463	(972,016,870)	11,000,000	282,180,035	868,137,985	

The accompanying notes are an integral part of these financial statements.



# TBSP Public Company Limited and its Subsidiaries

## Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019
	(Restated)			
	(in Baht)			
<b><i>Cash flows from operating activities</i></b>				
Profit (loss) for the year	(16,890,504)	205,140,049	(85,617,888)	159,938,972
<i>Adjustments to reconcile profit (loss)</i>				
<i>to cash receipts (payments)</i>				
Tax expense (income)	4,066,202	41,359,016	(9,961,742)	24,182,754
Finance costs	20,072,502	16,622,836	10,652,331	10,073,654
Depreciation and amortisation	170,481,822	147,170,154	65,157,617	59,103,529
Provisions for employee benefit	15,581,179	33,058,738	13,418,606	23,757,284
Unrealised loss on foreign exchange	293,981	2,297,941	198,648	1,192,536
Share of loss of joint venture	7,170,758	8,241,476	-	-
Losses on inventories devaluation	14,099,704	9,594,551	18,248,999	2,550,424
Impairment loss recognised in profit or loss	24,377,275	-	61,228,197	-
Loss on sale of discontinued of joint venture	-	528,710	-	-
Gain on disposal of property, plant and equipment and intangible assets	(1,222,752)	(136,466,825)	(887,712)	(134,352,795)
Interest income	(930,684)	(1,479,752)	(971,481)	(470,996)
	<b>237,099,483</b>	<b>326,066,894</b>	<b>71,465,575</b>	<b>145,975,362</b>
<b><i>Changes in operating assets and liabilities</i></b>				
Trade receivables and other current receivables	129,128,275	(47,146,013)	32,131,165	(34,509,944)
Inventories	72,193,052	(40,406,491)	69,892,222	(36,771,095)
Other non-current assets	(18,783,473)	358,035	1,264,720	94,215
Trade payables and other current payables	(38,297,252)	1,421,463	21,593,528	8,509,269
Provisions for employee benefits	(47,615,241)	(6,695,667)	(43,374,160)	(1,391,867)
Other current liabilities	(252,421)	886,293	(327,045)	932,375
Taxes paid	(35,236,901)	(65,654,780)	(14,726,537)	(38,533,464)
Other non-current liabilities	-	(600,000)	-	-
<b>Net cash flows from operating activities</b>	<b>298,235,522</b>	<b>168,229,734</b>	<b>137,919,468</b>	<b>44,304,851</b>

The accompanying notes are an integral part of these financial statements.

# TBSP Public Company Limited and its Subsidiaries

## Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019
	(Restated)			
	(in Baht)			
<i>Cash flows from investing activities</i>				
Proceeds from sales of property, plant and equipment	28,781,905	120,725,261	25,334,270	118,311,885
Acquisition of property, plant and equipment	(52,747,348)	(72,857,715)	(8,399,868)	(29,575,115)
Proceeds from sales of intangible assets	-	2,005,000	-	2,005,000
Acquisition of intangible assets	(4,059,990)	(6,578,913)	(1,365,830)	(4,928,038)
Acquisition of discontinued in joint venture	-	5,531,188	-	-
Loan to related parties	-	(72,150,000)	-	(18,650,000)
Proceeds from loans to related parties	-	127,800,000	-	-
Interest received	74,282	1,062,613	115,080	53,856
<b>Net cash flows from (used in) investing activities</b>	<b>(27,951,151)</b>	<b>105,537,434</b>	<b>15,683,652</b>	<b>67,217,588</b>

The accompanying notes are an integral part of these financial statements.

# TBSP Public Company Limited and its Subsidiaries

## Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2020	2019	2020	2019
		(Restated)		
		(in Baht)		
<b>Cash flows from financing activities</b>				
Proceeds from bank overdraft and short-term borrowing from financial institutions	967,500,000	1,129,033,803	522,500,000	622,032,985
Repayment of bank overdraft and short-term borrowings from financial institutions	(975,533,803)	(916,735,884)	(480,532,985)	(575,000,000)
Repayment of long-term borrowings from financial institutions	(54,018,333)	(90,493,333)	(46,333,333)	(59,833,333)
Payment of lease liabilities (2019 : Payment by a leases for reduction of the outstanding liability relating to a finance lease)	(74,638,802)	(13,241,413)	(17,330,938)	-
Dividends paid to owners of the Company	(49,500,000)	(341,800,000)	(49,500,000)	(74,800,000)
Interest paid	(16,951,599)	(16,092,418)	(9,740,976)	(10,073,654)
Net cash flows used in financing activities	(203,142,537)	(249,329,245)	(80,938,232)	(97,674,002)
Net increase in cash and cash equivalents	67,141,834	24,437,923	72,664,888	13,848,437
Cash and cash equivalents at 1 January	61,523,953	37,086,030	26,427,445	12,579,008
Cash and cash equivalents at 31 December	128,665,787	61,523,953	99,092,333	26,427,445
<b>Non-cash transactions</b>				
Purchase of properties, plant and equipment of which cash has not paid	4,070,404	3,611,662	59,599	919,435
Proceeds from sales of property, plant and equipment of which cash has not received	-	24,359,400	2,889,000	24,359,400
Increase in machinery and equipment under finance lease during the period	-	18,373,350	-	-
Increase in right-of-use assets during the period	31,173,865	-	1,301,623	-
New shares issued as consideration paid for business transfer	1,271,974,820	-	1,271,974,820	-

The accompanying notes are an integral part of these financial statements.



**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2020**

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# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 1 March 2021.

### **1 General information**

TBSP Public Company Limited, the “Company”, is incorporated in Thailand. The Company was listed on the Stock Exchange of Thailand in March 1996 and has its registered office at 41/1 Soi Wat Suan Som, Poochao-Saming Prai Road, Samrongtai, Pharapradaeng, Samutprakarn, Thailand.

The Company’s major shareholder during the year was T.K.S. Technologies Public Company Limited which was incorporated in Thailand.

The principal business of the Company is the manufacturing of security documents, which are bank cheques, security documents, business forms and plastic cards. Details of the Company’s subsidiaries as at 31 December 2020 and 2019 are given in note 10.

### **2 Basis of preparation of the financial statements**

#### **(a) Statement of compliance**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise TFRS 9 *Financial Instruments* and relevant standards and interpretations and TFRS 16 *Leases* and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

#### **(b) Functional and presentation currency**

The financial statements are presented in Thai Baht, which is the Company’s functional currency.

#### **(c) Use of judgements and estimates**

The preparation of financial statements in conformity with TFRSs requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from estimates. Estimates assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### (i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- |             |  |
|-------------|--|
| 4(k) and 15 | Leases:  |
|             | - whether an arrangement contains a lease;   |
|             | - whether the Group is reasonably certain to exercise extension options;                     |
|             | - whether the Group exercise termination options   |
| 5           | Impact of COVID-19 Outbreak;   |
| 6           | Business combination:  |
|             | Determining the acquisition date and determining whether the Group has control the acquiree. |

### (ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- |      |   |
|------|---|
| 4(k) | Determining the incremental borrowing rate to measure lease liabilities;  |
| 5    | Impact of COVID-19 Outbreak;  |
| 17   | Measurement of defined benefit obligations: key actuarial assumptions;  |
| 23   | Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised |

## 3 Change in accounting policy

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases and relevant lease incentives in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Group and the Company recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

On transition, the Group also elected to use the following practical expedients

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- use hindsight when determining the lease term;
- apply a single discount rate to a portfolio of leases with similar characteristics;
- rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
- exclude initial direct costs from measuring the right-of-use asset.

### Impact from the adoption of TFRS 16

#### At 1 January 2020

	Consolidated financial statements (in thousand Baht)	Separate financial statements
Decrease in property, plant and equipment	(30,523)	-
Increase in right-of-use assets	164,791	44,174
Increase in lease liabilities	(134,268)	(44,174)

### Measurement of lease liability

	Consolidated financial statements (in thousand Baht)	Separate financial statements
Operating lease commitment as disclosed at 31 December 2019	77,252	47,299
Recognition exemption for short-term leases	(1,186)	(433)
	<u>76,066</u>	<u>46,866</u>
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2020	134,268	44,174
Finance lease liabilities recognised as at 31 December 2019	26,867	-
<b>Lease liabilities recognised at 1 January 2020</b>	<b><u>161,135</u></b>	<b><u>44,174</u></b>
Weighted-average incremental borrowing rate (% per annum)	<u>2.54</u>	<u>2.40</u>

Right-of-use assets and lease liabilities shown above were presented as part of security documents segments.

# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

### **4 Significant accounting policies**

The accounting policies set out below have been consistently applied to all periods presented in these financial statements, except as explained in note 3.

#### **(a) Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in joint ventures.

##### *Acquisitions from entities under common control*

Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognises assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in shareholder’s equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

##### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

##### *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

##### *Interests in equity-accounted investees*

The Group’s interests in equity-accounted investees comprise interests in a joint venture.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which joint control ceases.



# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

### *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

### **(b) Investments in subsidiaries, associates and joint ventures**

Investments in subsidiaries and joint ventures in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

### *Disposal of investments in the separate financial statements*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

### **(c) Foreign currencies**

#### *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

### **(d) Financial instruments**

#### *Accounting policies applicable from 1 January 2020*

#### *(d.1) Recognition and initial measurement*

Trade receivables and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

### *(d.2) Classification and subsequent measurement*

#### *Financial assets - classification*

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### *Financial assets - business model assessment*

The Group makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.



## TBSP Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended 31 December 2020

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

#### *Financial assets - assessment whether contractual cash flows are solely payments of principal and interest*

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

#### *Financial assets - subsequent measurement and gains and losses*

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
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Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
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Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
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Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.
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## **TBSP Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended 31 December 2020**

#### *Financial liabilities - classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

#### *(d.3) Derecognition*

##### *Financial assets*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

##### *Financial liabilities*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### *(d.4) Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### *Accounting policies applicable before 1 January 2020*

##### *Investments in other equity securities*

Equity securities which are not marketable are stated at cost less any impairment losses.

##### *Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.



# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

### **(e) Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash on hand, saving deposits, current deposits and highly liquid short-term investments. In addition, bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

### **(f) Trade and other current receivables**

A receivable is recognised when the Group has an unconditional right to receive consideration.

A receivable is measured at transaction price less allowance for expected credit loss (*2019: allowance for doubtful accounts*) which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

### **(g) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the moving average principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost is calculated using standard cost adjusted to approximate average cost. Includes an appropriate share of production overheads based on normal operating capacity. Cost of its subsidiaries is calculated using the first in first out principle.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

### **(h) Investments properties**

Investment properties are properties which are held to earn rental income, for capital appreciation but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Buildings and building improvement	5 - 20	years
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# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### (i) *Property, plant and equipment*

#### *Recognition and measurement*

##### *Owned assets*

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

#### *Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

#### *Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings and building and land improvements	5 - 20 years
Machinery and equipment	3 - 20 years
Furniture, fixtures and office equipment	3 - 10 years
Transportation equipment	5 years

No depreciation is provided on land or assets under construction and installment.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.



**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2020**

**(j) Intangible assets**

Intangible assets that are acquired by the Group and have finite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses.

*Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

*Amortisation*

Amortisation is based on over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows:

Software licences	3, 5 and 10 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**(k) Leases**

*Accounting policies applicable from 1 January 2020*

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

*As a lessee*

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

## **TBSP Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended 31 December 2020**

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable, amount under purchase, extension or termination option if the Group is reasonably certain to exercise option.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### *As a lessor*

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of 'other income.' Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

#### *Accounting policies applicable before 1 January 2020*

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.



# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

As a lessor, rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

### **(l) *Impairment of financial assets***

#### ***Accounting policies applicable from 1 January 2020***

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, loans to others and related parties).

#### ***Measurement of ECLs***

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables, lease receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in financial instruments' credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

### **For the year ended 31 December 2020**

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the Group recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

#### *Credit-impaired financial assets*

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

#### *Write-off*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

#### *Accounting policies applicable before 1 January 2020*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

#### *Calculation of recoverable amount*

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

#### *Reversal of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.



# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

### **(m) Impairment of non-financial assets**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

#### *Calculation of recoverable amount*

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### *Reversal of impairment*

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### **(n) Contract liabilities**

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

### **(o) Employee benefits**

#### *Defined contribution plans*

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

#### *Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.



# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### *Other long-term employee benefits*

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

### *Termination benefits*

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

### *Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid. If the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## **(p) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

## **(q) Fair value measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.



# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### **(r) Revenue**

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts.

#### *Sale of goods and services*

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue for rendering of services is recognised as the services are provided. The related costs are recognised in profit or loss when they are incurred.



# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

For bundled packages, the Group accounts for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices.

### **(s) Other income**

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

### **(t) Interest**

#### ***Accounting policies applicable from 1 January 2020***

##### ***Effective Interest Rate (EIR)***

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

#### ***Accounting policies applicable before 1 January 2020***

Interest income is recognised in profit or loss at the rate specified in the contract.

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

### **(u) Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### **(v) *Earning per share***

The Group presents basic earning per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the period.

### **(w) *Related parties***

Related parties are a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

### **(x) *Segment reporting***

Segment results that are reported to the chief operating decision maker include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.



**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2020**

**5 Impact of Covid-19 Outbreak**

In 2020, the Group's business was affected by the Covid-19 outbreak, resulting in a significant decline in revenue. However, the management will constantly provide commercial support to the customers and make the utmost effort to reduce such impact by targeting the Group's other markets, adjusting the operating process, cutting costs and other procedures. At 31 December 2020, the situation of Covid-19 outbreak is still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of Covid-19 outbreak on the following:

*Impairment of assets*

The Group considered impairment of trade accounts receivables under provision matrix using historical loss rate and did not take forward-looking information into account.

The Group elected to exclude the Covid-19 situation as impairment indicator for property, plant and equipment.



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### 6 Acquisition and acceptance of the entire business transfer

At the Annual General Meeting of Shareholders of the Company held on 28 May 2020, the shareholders passed a resolution to accept entire business transfer according to the entire business transfer plan between the Company and Service Hall Company Limited ("Service Hall"), whereby the Company agreed to buy and receive entire business transfer including assets, liabilities and rights on transfer date which include T.K.S. Siampress Management Company Limited ordinary shares of 29,999,994 shares at the par value of Baht 10 per share (SPM is wholly-owned subsidiary with 99.99% shareholding of issued and paid-up share capital). The shareholders also passed a resolution of an issuance and allocation not exceeding 94,220,357 shares at the par value of Baht 1 per share at the offering price Baht 13.80 by way of private placement to Service Hall totalling Baht 1,300.24 million as a consideration paid for entire business of Service Hall, instead of cash. On 9 June 2020, the Company entered into the entire business transfer with Service Hall. On 10 June 2020, Service Hall registered its dissolution with the Ministry of Commerce followed by Revenue Code in relation to entire business transfer and in process of liquidation. The Company allocated 94,220,357 newly issued shares to T.K.S. Technologies Public Company Limited, the shareholder of Service Hall.

The consolidated financial statements have been prepared on the basis of a business combination under common control. The acquired net assets and interest of share purchased are accounted for at book values as similar to pooling of interests method. The Company recognised cost of business combination under common control by fair value method of 94,220,357 newly issued shares at the price of Baht 13.50 per share totalling Baht 1,271.97 million on swapping date to receive the control. The difference between the fair value of consideration transferred and net assets of the transfer business under common control presented as "Differences arising from business combination under common control" and recognised directly in equity. The other expenses to business combination under common control, for example, legal expenses, professional fees and consultant fees recognised as incurred. The details of consideration transferred for business combination under common control and net book value of the net assets acquired are as follows;

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
	<i>(in thousand Baht)</i>	
Cash and cash equivalents	27,468	-
Trade and other current receivables	186,395	-
Inventories	100,151	-
Investment in subsidiaries	-	300,000
Property, plant and equipment	433,015	-
Right-of-use assets	95,630	-
Bank overdraft and short-term borrowing from financial institutions	(270,000)	-
Trade and other current payables	(140,614)	(42)
Lease liabilities (2019: finance lease liabilities)	(102,915)	-
Non-current provisions for employee benefit	(26,238)	-
Other assets / (other liabilities) - net	24,567	-
<b>Total identifiable net assets received</b>	<b>327,459</b>	<b>299,958</b>
Less Consideration transferred (94,220,357 newly issued shares at the price of 13.50 Baht per share)	(1,271,975)	(1,271,975)
<b>Differences arising from business combination under common control</b>	<b>(944,516)</b>	<b>(972,017)</b>

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

The consolidated statement of financial position, the consolidated statements of income, comprehensive income and cash flows have been restated accordingly. The effects of the change from the retrospective adjustments are summarised as follows

### Statement of financial position

### Consolidated financial statements

	As 1 January 2019			As 31 December 2019		
	As previously reported	Adjustment	As restated (in thousand Baht)	As previously reported	Adjustment	As restated
Cash and cash equivalents	14,762	22,324	37,086	32,710	28,814	61,524
Trade and other current receivables	178,500	177,921	356,421	246,955	211,856	458,811
Inventories	141,470	79,172	220,642	175,340	76,114	251,454
Property, plant and equipment	763,110	447,866	1,210,976	714,685	427,063	1,141,748
Others	100,350	93,785	194,135	87,648	41,145	128,793
<b>Total assets</b>	<b>1,198,192</b>	<b>821,068</b>	<b>2,019,260</b>	<b>1,257,338</b>	<b>784,992</b>	<b>2,042,330</b>
Bank overdraft and short-term borrowing from financial institutions	124,736	80,000	204,736	168,034	249,000	417,034
Trade and other current payables	126,153	146,051	272,204	132,630	148,989	281,619
Other current liabilities	74,718	32,660	107,378	93,675	13,368	107,043
Other non-current liabilities	292,599	38,579	331,178	221,913	42,302	264,215
<b>Total liabilities</b>	<b>618,206</b>	<b>297,290</b>	<b>915,496</b>	<b>616,252</b>	<b>453,659</b>	<b>1,069,911</b>
Total equity attributable to owners of the parent	579,986	-	579,986	641,086	-	641,086
Former shareholder before business restructuring	-	523,778	523,778	-	331,333	331,333
<b>Total shareholders' equity</b>	<b>579,986</b>	<b>523,778</b>	<b>1,103,764</b>	<b>641,086</b>	<b>331,333</b>	<b>972,419</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,198,192</b>	<b>821,068</b>	<b>2,019,260</b>	<b>1,257,338</b>	<b>784,992</b>	<b>2,042,330</b>



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### Statement of income

### Consolidated financial statements

<i>For the year ended 31 December 2019</i>	As previously reported	Adjustment (in thousand Baht)	As restated
Revenue from sale of goods and rendering of services	1,107,811	1,080,059	2,187,870
Cost of sale of goods and rendering of services	(908,481)	(794,683)	(1,703,164)
Distribution costs	(72,313)	(38,896)	(111,209)
Administrative expenses	(108,197)	(170,085)	(278,282)
Others	113,691	(3,766)	109,925
<b>Profit for the year</b>	<b>132,511</b>	<b>72,629</b>	<b>205,140</b>
<b>Profit (loss) attributable to:</b>			
Owners of the parent	132,511	-	132,511
Former shareholder before business restructuring	-	72,629	72,629
<b>Profit for the year</b>	<b>132,511</b>	<b>72,629</b>	<b>205,140</b>
<b>Basic earnings per share (in Baht)</b>	<b>1.20</b>	<b>-</b>	<b>1.20</b>

### Statement of comprehensive income

### Consolidated financial statements

<i>For the year ended 31 December 2019</i>	As previously reported	Adjustment (in thousand Baht)	As restated
Profit for the year	132,511	72,629	205,140
Other comprehensive income for the year	3,388	1,926	5,314
<b>Total comprehensive income for the year</b>	<b>135,899</b>	<b>74,555</b>	<b>210,454</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	135,899	-	135,899
Former shareholder before business restructuring	-	72,555	74,555
<b>Total comprehensive income for the year</b>	<b>135,899</b>	<b>72,629</b>	<b>210,454</b>

### Statement of cash flows

### Consolidated financial statements

<i>For the year ended 31 December 2019</i>	As previously reported	Adjustment (in thousand Baht)	As restated
Net cash flows from operating activities	58,102	110,128	168,230
Net cash flows from investing activities	70,120	15,225	85,345
Net cash flows used in financing activities	(110,274)	(118,863)	(229,137)
<b>Net increase in cash and cash equivalents</b>	<b>17,948</b>	<b>6,490</b>	<b>24,438</b>

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### 7 Related parties

Relationships with subsidiaries and joint ventures are described in notes 10 and 11. Other related parties that the Group had significant transactions with during the year were as follows:

Name of person/entities	Country of incorporation / nationality	Nature of relationships
T.K.S. Technologies Public Company Limited	Thailand	The parent company, 97.172% shareholding and has the representative as board of directors
Miss Suthida Mongkolsuthi	Thailand	Board of directors
Mongkolsuthi Holding Co., Ltd.	Thailand	The representative as board of directors
Synnex (Thailand) Public Company Limited	Thailand	The representative as board of directors
TITEC Co., Ltd.	Thailand	The representative as board of directors
PT Automation (Thailand) Company Limited	Thailand	The representative as board of directors
Prism Solutions Co., Ltd.	Thailand	The representative as board of directors
Go Five Co., Ltd.	Thailand	The representative as board of directors
Next Capital Public Company Limited	Thailand	The representative as board of directors

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sale of goods	Cost plus margin
Purchases of goods	Market price
Rental income	Contractually agreed price
Other income	Contractually agreed price
Interest expense and interest income	Rate as mutually agreed with reference interest rates quoted by bank
Management fee	Contractually agreed price
Rental and service expenses	Contractually agreed price
Service fees	Contractually agreed price
Purchase of asset	Net book value plus margin
Directors' remuneration	Approved by the resolution of the shareholders' meeting



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

Significant transactions for the years ended 31 December with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019	2020	2019
	(Restated)			
	(in thousand Baht)			
<b><i>Parent</i></b>				
Sale of goods	4,412	43,772	-	-
Purchases of goods	31,839	30,409	1,232	130
Rental income	810	600	-	-
Other income	7,759	7,665	-	-
Interest income	-	894	-	-
Management fee	29,360	30,059	-	-
Rental and Service expenses	15,973	13,866	707	-
<b><i>Subsidiaries</i></b>				
Sale of goods	-	-	11,363	41,531
Purchases of goods	-	-	106,760	13,867
Rental income	-	-	5,108	5,345
Other income	-	-	4,602	5,941
Interest income	-	-	94	-
<b><i>Other related parties</i></b>				
Sale of goods	60,065	60,012	1,759	6,429
Purchases of goods	26,948	22,888	3,281	-
Rental income	1,200	7,484	-	-
Other income	957	913	-	-
Interest income	856	417	856	417
Service fee	12,871	10,554	2,707	911
Purchase of assets	-	434	-	-
Directors' remuneration	1,650	3,163	1,650	3,163

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

Balances as at 31 December with related parties were as follows:

### Trade account receivable

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	(in thousand Baht)			
<b>Parent</b>				
T.K.S. Technologies Public Company Limited	659	282	-	-
<b>Subsidiaries</b>				
Thai British DPost Co., Ltd.	-	-	3,900	11,859
T.K.S Siampress Management Co., Ltd.	-	-	1,646	920
<b>Other related parties</b>				
Myanmar Deco-TBSP Special Products Company Limited	2,937	2,690	2,937	2,690
Synnex (Thailand) Public Company Limited	11,665	11,749	300	-
Go Five Co., Ltd.	1,841	-	-	-
Next Capital Public Company Limited	1,045	-	276	-
	<u>18,147</u>	<u>14,721</u>	<u>9,059</u>	<u>15,469</u>
Less allowance for expected credit loss (2019: allowance for doubtful accounts)	(2,937)	-	(2,937)	-
<b>Net</b>	<u>15,210</u>	<u>14,721</u>	<u>6,122</u>	<u>15,469</u>
Expected credit losses (2019: Bad and doubtful debts expense) for the year	<u>(2,937)</u>	<u>-</u>	<u>(2,937)</u>	<u>-</u>

### Other current receivables

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	(in thousand Baht)			
<b>Parent</b>				
T.K.S. Technologies Public Company Limited	1,156	1,153	-	-
<b>Subsidiaries</b>				
Thai British DPost Co., Ltd.	-	-	3,867	11,706
T.K.S Siampress Management Co., Ltd.	-	-	45,135	30

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<b>Other related parties</b>				
Myanmar Deco-TBSP Special Products Company Limited	8,156	7,341	8,156	7,341
Synnex (Thailand) Public Company Limited	-	453	-	-
Go Five Co., Ltd	117	1,937	-	-
	<u>9,429</u>	<u>10,884</u>	<u>57,158</u>	<u>19,077</u>
Less allowance for expected credit loss (2019: allowance for doubtful accounts)	<u>(8,156)</u>	<u>-</u>	<u>(8,156)</u>	<u>-</u>
<b>Net</b>	<u><u>1,273</u></u>	<u><u>10,884</u></u>	<u><u>49,002</u></u>	<u><u>19,077</u></u>
Expected credit losses (2019: Bad and doubtful debts expense) for the year	<u>8,156</u>	<u>-</u>	<u>8,156</u>	<u>-</u>

	Interest rate		Consolidated financial statements		Effect of foreign exchange rate	
<i>Loans to</i>	31 December	1 January (Restated)	Increase	Decrease		31 December
	(% per annum)		(in thousand Baht)			
<b>2020</b>						
Joint venture	5.50	14,988	-	-	662	15,650
Less Allowance for expected credit loss		<u>-</u>				<u>(15,650)</u>
<b>Net</b>		<u><u>14,988</u></u>				<u><u>-</u></u>
<b>2019</b>						
The parent company	1.97 - 2.37	71,300	56,500	127,800	-	-
Joint venture	5.50	<u>-</u>	<u>15,650</u>	<u>-</u>	<u>(662)</u>	<u>14,988</u>
<b>Total</b>		<u><u>71,300</u></u>	<u><u>72,150</u></u>	<u><u>127,800</u></u>	<u><u>(662)</u></u>	<u><u>14,988</u></u>

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

<i>Loans to</i>	Interest rate		Separate financial statements		Effect of foreign exchange rate	
	31 December (% per annum)	1 January (Restated)	Increase	Decrease		31 December
			(in thousand Baht)			
<b>2020</b>						
Subsidiaries	3.13	3,000	-	-		3,000
Joint venture	5.50	14,988	-	-	662	15,650
Less Allowance for expected credit loss		-				(15,650)
<b>Net</b>		<u>17,988</u>				<u>3,000</u>
<b>2019</b>						
Subsidiaries	3.13	-	3,000	-	-	3,000
Joint venture	5.50	-	15,650	-	(662)	14,988
<b>Total</b>		<u>-</u>	<u>18,650</u>	<u>-</u>	<u>(662)</u>	<u>17,988</u>

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Expected credit losses (2019: <i>Bad and doubtful debts expense</i> ) to for the year	<u>15,650</u>	<u>-</u>	<u>15,650</u>	<u>-</u>



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<i>Trade accounts payable</i>				
	<i>(in thousand Baht)</i>			
<b>Parent</b>				
T.K.S. Technologies Public Company Limited	1,566	4,407	680	-
<b>Subsidiaries</b>				
T.K.S. Siam Press Management Co., Ltd.	-	-	77,051	3,205
Thai British DPost Co., Ltd.	-	-	-	331
Marvel Pack Company Limited	-	-	324	606
<b>Other related parties</b>				
Synnex (Thailand) Public Company Limited	28	367	28	-
Prism Solutions Co., Ltd.	132	-	-	-
<b>Total</b>	<b>1,726</b>	<b>4,774</b>	<b>78,083</b>	<b>4,142</b>

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<i>Other current payables</i>				
	<i>(in thousand Baht)</i>			
<b>Parent company</b>				
T.K.S. Technologies Public Company Limited	8,801	9,503	707	139
<b>Other related parties</b>				
Gofive Co., Ltd.	2,792	2,140	535	-
Synnex (Thailand) Public Company Limited	211	-	-	-
<b>Total</b>	<b>11,804</b>	<b>11,643</b>	<b>1,242</b>	<b>139</b>

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
<i>Key management personnel compensation</i>				
	<i>(in thousand Baht)</i>			
Short-term employee benefits	52,284	73,948	17,475	26,261
Post-employment benefits	3,840	4,130	1,602	550
Other long-term employee benefits	1	23	1	5
<b>Total</b>	<b>58,125</b>	<b>78,101</b>	<b>19,078</b>	<b>26,816</b>

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### *Commitments with related parties*

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	(in thousand Baht)			

### *Future minimum lease payments under non-cancellable operating leases*

Within one year	572	8,972	-	-
1 - 5 years	-	13,300	-	-
	<u>572</u>	<u>22,272</u>	<u>-</u>	<u>-</u>

### *Commitment under service agreements*

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	(in thousand Baht)			
Within one year	<u>29,131</u>	<u>-</u>	<u>4,000</u>	<u>-</u>

### *Significant agreements with related parties*

#### *Land rental agreement*

As at 31 December 2020, T.K.S. Siampress Management Co., Ltd. had land rental agreements with T.K.S. Technologies Public Company Limited. The agreements shall be in effect for a period of three years, commencing from 1 August 2019 to 31 July 2022.

#### *Service Agreement*

As at 31 December 2020, the Company had entered into the Service Agreement including the memorandum with Thai British D Post Co., Ltd., whereby Company agrees to provide services and committed to pay services fee as specified in the agreements during the term of agreement. This agreement is valid for one year since counterparty agreed upon written notice.

#### *Management service agreements*

On 1 July 2020, the Company had entered into management service agreements with T.K.S. Siampress Management Co., Ltd. to provide management services including machinery procurement for use in Label and Security document production improvement and committed to pay services fee as specified in the agreements. This agreement is valid for 1 July 2020 until 31 December 2020.

#### *Machinery rental agreement*

On 20 July 2020, the Company had entered into machinery rental agreement with T.K.S. Siampress Management Co., Ltd. to provide machinery and equipment rental services as specified in rental contract. The Company subjected to received monthly rental fee as specified in the agreements. The agreement shall be one year and shall be extended automatically for successive periods of one year each unless either party gives the other party notice of non-extension in writing.

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### *Consultant Agreement*

On 25 August 2020, the Company had entered into the Consultant Agreement with Go five Co.,Ltd, whereby the latter provides to the Company of certain IT and information system services as specified in contract. The agreement shall be one year and shall be extended automatically for successive periods of one year each unless either party gives the other party notice of non-extension in writing at least thirty days prior to the expiration of the original or any extended term of this Agreement.

## 8 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated) (in thousand Baht)	2020	2019
Cash on hand	99	487	30	193
Cash at banks-current accounts	63,601	9,178	60,885	4,963
Cash at banks-saving accounts	64,957	51,850	38,168	21,262
Fixed deposits with financial institutions	9	9	9	9
<b>Total</b>	<b>128,666</b>	<b>61,524</b>	<b>99,092</b>	<b>26,427</b>



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### 9 Inventories

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
		(Restated)		
		(in thousand Baht)		
Finished goods	36,722	74,284	14,642	24,195
Work in progress	31,011	56,957	12,265	41,905
Raw materials	93,623	95,072	52,222	73,949
Spare parts and supplies	38,224	45,485	23,541	32,513
Goods in transit	26	-	-	-
<b>Total</b>	<b>199,606</b>	<b>271,798</b>	<b>102,670</b>	<b>172,562</b>
Less allowance for decline in value and slow-moving of inventories	(34,445)	(20,344)	(20,020)	(3,771)
<b>Net</b>	<b>165,161</b>	<b>251,454</b>	<b>22,020</b>	<b>168,791</b>

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
		(Restated)		
		(in thousand Baht)		
Inventories recognised in cost of sales of goods and rendering of services:				
Cost of sales and cost of service	1,220,251	1,693,483	564,668	829,419
Write-down to net realisable value	13,838	9,681	17,987	2,636
<b>Net</b>	<b>1,234,089</b>	<b>1,703,164</b>	<b>582,655</b>	<b>832,005</b>
Inventories recognised in administrative expenses (Reversal of) write-down to net realisable value	262	(86)	262	(86)



**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2020**

**10 Investment in subsidiaries**

Separate financial statements												
Type of business	Ownership interest 2020	Ownership interest 2019 (%)	Paid-up capital		Cost		Impairment		At cost - net			
			2020	2019	2020	2019	2020	2019	2020	2019		
(in thousand Baht)												
<b>Direct Subsidiaries</b>												
Business of laser printing and enveloping of statements, bills and invoices and related value-added services	99.99	99.99	34,000	34,000	37,254	37,254	-	-	37,254	37,254		
Investment	99.99	99.99	37,000	37,000	37,000	37,000	(34,458)	-	2,515	37,000		
Business form printing, other printing and warehouse management	99.99	-	300,000	-	300,000	-	-	-	300,000	-		
<b>Total</b>			<b>371,000</b>	<b>71,000</b>	<b>374,254</b>	<b>74,254</b>	<b>(34,458)</b>	<b>-</b>	<b>339,769</b>	<b>74,254</b>		
<b>Indirect Subsidiary</b>												
Marvel Pack Co., Ltd. (Held by T.K.S. Siam Press Management Co.,Ltd.)	100.00	-	90,000	-	90,000	-	-	-	90,000	-		

All subsidiaries were incorporated and operate in Thailand.

The company did not received dividend income from subsidiaries for the year ended 31 December 2020 and 2019.

**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2020**

**11 Investment in joint ventures**

	Type of business	Ownership interest		Paid-up capital		Consolidated financial statements			Equity
		2020	2019	2020	2019	Cost		2020	
						2020	2019		
		(%)				(in thousand Baht)			
Joint venture									
	Myanmar Deco-TBSP								
	Special Products								
	Printing								
	Security	40	40	2,500	2,500				
						Thousand			
						US Dollar			
							34,485	34,485	7,171

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### Immaterial joint venture

The following is summarised financial information for the Group's interest in joint ventures based on the amounts reported in the Group's consolidated financial statements:

	Immaterial Joint ventures	
	2020	2019
	<i>(in thousand Baht)</i>	
Carrying amount of interests in immaterial associates and joint ventures	-	7,171
Group's share of:		
- Profit from continuing operations	(7,171)	(8,241)
- Total comprehensive income	(7,171)	(8,241)

## 12 Investment properties

	Consolidated financial statements
	Buildings and building improvement
	<i>(in thousand Baht)</i>
<b>Cost</b>	
At 1 January 2019 - restated	21,279
Reclassification from buildings and improvement	14,262
<b>At 31 December 2019 - restated and 1 January 2020</b>	<b>35,541</b>
Reclassification to buildings and improvement	(4,729)
<b>At 31 December 2020</b>	<b>30,812</b>
<b>Depreciation</b>	
At 1 January 2019 - restated	(10,066)
Reclassification from buildings and improvement	8,520
<b>At 31 December 2019 - restated and 1 January 2020</b>	<b>(18,626)</b>
Depreciation charge for the year	(1,659)
Reclassification to property, plant and equipment	3,808
<b>At 31 December 2020</b>	<b>(16,477)</b>
<b>Net book value</b>	
<b>At 31 December 2019</b>	<b>16,915</b>
<b>At 31 December 2020</b>	<b>14,335</b>

Rental agreement of investment properties comprised of building which rent to related companies according to operating leases. The agreement will be automatically revised in a year until it will be cancelled in written. Rental income of investment properties was fixed amount.



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>	
	2020	2019
	<i>(in thousand Baht)</i>	
<i>Amounts recognised in profit or loss</i>		
Rental income	<u>2,010</u>	<u>1,800</u>

The fair value of investment properties as at 31 December 2020 of Baht 506 million (2019: Baht 506 million) was determined by independent professional valuers. Applying market comparison approach for land and discounted replacement cost for buildings. The fair value of investment property has been categorised as a Level 3 fair value.

### 13 Property, plant and equipment

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**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2020**

	Consolidated financial statements (in thousand Baht)					
	Land	Buildings and building and land improvement	Machinery and equipment	Furniture, fixture and office equipment	Transportation equipment	Construction in progress
						Total
<b>Depreciation</b>						
At 1 January 2019 - restated	-	(448,461)	(1,458,305)	(190,237)	(12,706)	(2,109,709)
Depreciation charge for the year	-	(35,691)	(85,187)	(18,720)	(2,813)	(142,411)
Reclassification to intangible Assets	-	-	7,365	-	-	7,365
Reclassification to investment properties	-	8,560	-	-	-	8,560
Disposals/written off	-	4,100	81,372	24,038	257	109,767
<b>At 31 December 2019 - restated and 1 January 2020</b>	-	<b>(471,492)</b>	<b>(1,454,755)</b>	<b>(184,919)</b>	<b>(15,262)</b>	<b>(2,126,428)</b>
Recognition of depreciation of right-of-use asset on initial application of TFRS 16 (see note 3)	-	-	5,361	124	2,288	7,773
<b>At 1 January 2020 - as adjusted</b>	-	<b>(471,492)</b>	<b>(1,449,394)</b>	<b>(184,795)</b>	<b>(12,974)</b>	<b>(2,118,655)</b>
Depreciation charge for the year	-	(32,878)	(70,857)	(17,780)	(860)	(122,375)
Reclassification from investment properties	-	(3,808)	-	-	-	(3,808)
Disposals/written off	-	30,919	126,562	33,089	1,177	191,747
<b>At 31 December 2020</b>	-	<b>(477,259)</b>	<b>(1,393,689)</b>	<b>(169,486)</b>	<b>(12,657)</b>	<b>(2,053,091)</b>

**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2020**

	Consolidated financial statements					Total	
	Land	Buildings and building and land improvement	Machinery and equipment	Furniture, fixture and office equipment (in thousand Baht)	Transportation equipment		Construction in progress
<i>Net book value</i>							
At 31 December 2019 - restated	292,002	283,063	443,955	42,876	10,951	68,901	1,141,748
At 31 December 2020	292,002	294,459	380,077	38,148	1,222	33,784	1,039,692



**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2020**

			Separate financial statements					
			Buildings and building and land improvement	Machinery and equipment	Furniture, fixture and office equipment <i>(in thousand Baht)</i>	Transportation equipment	Construction in progress	Total
<b>Cost</b>								
At 1 January 2019	292,002	256,270		1,058,682	144,997	4,437	51,105	1,807,493
Additions	-	361		3,710	3,611	-	25,584	33,266
Transfers in/(out)	-	6,571		25,605	4,753	-	(36,929)	-
Disposals/written off	-	(3,980)		(49,321)	(17,117)	(257)	-	(70,675)
<b>At 31 December 2019 and</b>								
<b>1 January 2020</b>	<b>292,002</b>	<b>259,222</b>		<b>1,038,676</b>	<b>136,244</b>	<b>4,180</b>	<b>39,760</b>	<b>1,770,084</b>
Additions	-	1,800		949	3,266	-	2,500	8,515
Transfers in/(out)	-	3,522		13,990	1,984	-	(19,496)	-
Disposals/written off	-	(22,181)		(126,191)	(33,026)	(304)	-	(181,702)
<b>At 31 December 2020</b>	<b>292,002</b>	<b>242,363</b>		<b>927,424</b>	<b>108,468</b>	<b>3,876</b>	<b>22,764</b>	<b>1,596,897</b>
<b>Depreciation</b>								
At 1 January 2019	-	(207,141)		(780,051)	(113,161)	(3,565)	-	(1,103,918)
Depreciation charge for the year	-	(7,305)		(36,496)	(10,769)	(259)	-	(54,829)
Disposals/written off	-	3,465		39,493	12,521	256	-	55,735
<b>At 31 December 2019 and</b>								
<b>1 January 2020</b>	<b>-</b>	<b>(210,981)</b>		<b>(777,054)</b>	<b>(111,409)</b>	<b>(3,568)</b>	<b>-</b>	<b>(1,103,012)</b>
Depreciation charge for the year	-	(4,402)		(29,180)	(9,325)	(256)	-	(43,163)
Disposals/written off	-	22,181		123,489	32,637	304	-	178,611
<b>At 31 December 2020</b>	<b>-</b>	<b>(193,202)</b>		<b>(682,745)</b>	<b>(88,097)</b>	<b>(3,520)</b>	<b>-</b>	<b>(967,564)</b>
<b>Net book value</b>								
At 31 December 2019	292,002	48,241		261,622	24,835	612	39,760	667,072
At 31 December 2020	292,002	49,161		244,679	20,371	356	22,764	629,333

The gross carrying amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2020 amounted to Baht 1,308 million and Baht 757 million respectively (2019: Baht 1,496 million and Baht 912 million).

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### 14 Intangible assets

#### Consolidated financial statements

	Software licences	Intangible assets under development <i>(in thousand Baht)</i>	Total
<b>Cost</b>			
At 1 January 2019 - restated	86,085	5,953	92,038
Additions	1,627	4,971	6,598
Transfers in/(out)	3,205	(3,205)	-
Reclassification from property, plant and equipment	7,365	-	7,365
Disposals/written off	(2,311)	(2,022)	(4,333)
<b>At 31 December 2019 - restated and 1 January 2020</b>	<b>95,791</b>	<b>5,697</b>	<b>101,668</b>
Additions	3,201	859	4,060
Transfers in/(out)	5,971	(5,971)	-
Disposals/written off	(6,838)	-	(6,838)
<b>At 31 December 2020</b>	<b>98,305</b>	<b>585</b>	<b>98,890</b>
<b>Amortisation</b>			
At 1 January 2019 - restated	(53,529)	-	(53,529)
Amortisation charge for the year	(5,415)	-	(5,415)
Disposals/written off	2,310	-	2,310
Reclassification from property, plant and equipment	(7,365)	-	(7,365)
<b>At 31 December 2019 - restated and 1 January 2020</b>	<b>(63,999)</b>	<b>-</b>	<b>(63,999)</b>
Amortisation charge for the year	(7,046)	-	(7,046)
Disposals/written off	6,837	-	6,837
<b>At 31 December 2020</b>	<b>(64,208)</b>	<b>-</b>	<b>(64,208)</b>
<b>Net book value</b>			
<b>At 31 December 2019 - restated</b>	<b>31,972</b>	<b>5,697</b>	<b>37,669</b>
<b>At 31 December 2020</b>	<b>34,097</b>	<b>585</b>	<b>34,682</b>

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### Separate financial statements

	Software licences	Intangible assets under development (in thousand Baht)	Total
<b>Cost</b>			
At 1 January 2019	56,781	3,887	60,668
Additions	903	4,026	4,929
Transfers in/(out)	759	(759)	-
Disposals/written off	(240)	(2,005)	(2,245)
<b>At 31 December 2019 and 1 January 2020</b>	<b>58,203</b>	<b>5,149</b>	<b>63,352</b>
Additions	566	800	1,366
Transfers in/(out)	5,364	(5,364)	-
Disposals/written off	(6,838)	-	(6,838)
<b>At 31 December 2020</b>	<b>57,295</b>	<b>585</b>	<b>57,880</b>
<b>Accumulated amortisation</b>			
At 1 January 2019	(27,902)	-	(27,902)
Amortisation charge for the year	(4,275)	-	(4,275)
Disposals/written off	238	-	238
<b>At 31 December 2019 and 1 January 2020</b>	<b>(31,939)</b>	<b>-</b>	<b>(31,939)</b>
Amortisation charge for the year	(4,927)	-	(4,927)
Disposals/written off	6,838	-	6,838
<b>At 31 December 2020</b>	<b>(30,028)</b>	<b>-</b>	<b>(30,028)</b>
<b>Carrying amount</b>			
At 31 December 2019	26,264	5,149	31,413
At 31 December 2020	27,267	585	27,852

## 15 Leases

*As a lessee*

	Consolidated financial statements (in thousand Baht)	Separate financial statements
<b>At 31 December 2020</b>		
<b>Right-of-use assets</b>		
Land and construction	79,584	13,424
Machinery and equipment	50,774	1,903
Office equipment	6,524	4,033
Vehicles and equipment	19,682	9,047
<b>Total</b>	<b>156,564</b>	<b>28,407</b>

In 2020, additions to the right-of-use assets of the Group and the Company were Baht 31.17 million and Baht 1.30 million, respectively.

The Group leases land, warehouses and plants for 3 - 10 years, with extension options at the end of lease term. The rental fee is payable monthly as specified in the contract.



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

During 2020, the Group leased machinery and equipment for 3-5 years and with fixed rental amount. The payment terms is in general term.

### Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

<i>For the year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Depreciation of right-of-use assets:				
- Land and construction	14,091	-	6,740	-
- Machinery and equipment	9,627	-	800	-
- Office equipment	4,675	-	3,875	-
- Vehicles and equipment	11,009	-	5,654	-
Interest on lease liabilities	4,064	-	911	-
Expenses relating to short-term leases	10,437	-	2,002	-
Lease expense	-	71,743	-	26,352

In 2020, total cash outflow for leases of the Group and the Company were Baht 74.64 million and Baht 17.30 million, respectively

## 16 Interest-bearing liabilities

	<b>Consolidated financial statements</b>					
	2020			2019		
				<i>(Restated)</i>		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in thousand Baht)</i>					
Bank overdrafts	-	-	-	-	34	34
Short-term loans from financial institutions	199,000	210,000	409,000	192,000	225,000	417,000
Long-term loans from financial institutions	166,500	-	166,500	192,185	28,333	220,518
<b>Total interest-bearing liabilities</b>	<b>365,500</b>	<b>210,000</b>	<b>575,500</b>	<b>384,185</b>	<b>253,367</b>	<b>637,552</b>



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

	Separate financial statements					
	2020			2019		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	<i>(in thousand Baht)</i>					
Bank overdrafts	-	-	-	-	33	33
Short-term loans from financial institutions	-	190,000	190,000	-	148,000	148,000
Long-term loans from financial institutions	166,500	-	166,500	184,500	28,333	212,833
<b>Total interest-bearing liabilities</b>	<b>166,500</b>	<b>190,000</b>	<b>356,500</b>	<b>184,500</b>	<b>176,366</b>	<b>360,866</b>

The Group and the Company had the land and constructions which net book value is amounted to Baht 588 million and Baht 264 million., respectively, to secured short - term and long - term loans from financial institutions (2019 (restated): Baht 415 million and Baht 264 million, respectively).

**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 31 December 2020**

***Long-term loans from financial institutions***

The Group entered to long-term loans from financial institutions for the Group's capital investment. Detail of loans are as follow:

Contract date	Currency	Credit line		Balance as at		Effective interest rate	Secured	Repayment period
		2020	2019	2020	2019	(% per annum)		
		(in thousand Baht)		(in thousand Baht)				
22 May 2018	Baht	216,000	216,000	166,500	184,500	2.85	Land and Constructions	48 monthly installment payments amounted to Baht 4.5 million per payment period. The first instalment of repayment would be the 13 <sup>th</sup> month from the date of received loan amount ( 30 June 2019 ).
22 December 2017	Baht	-	100,000	-	28,333	MLR-3.35%	-	36 monthly installment payments amounted to Baht 2.36 million.
March 2017	Baht	-	92,000	-	7,685	2.86	The parent company's land and the Company's constructions	36 monthly installment payments.
				<b>166,500</b>	<b>220,518</b>			

The Group has to follow the condition of financial ratio and other conditions specified in the agreements

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

As at 31 December 2020, the Group and the Company had unutilised credit facilities with various financial institutions at the total amount of Baht 1,270 million and Baht 746 million, respectively. (2019 (restated): Baht 951 million and Baht 746 million, respectively).

	Consolidated financial statements		
	Minimum lease payments	Interest	Present value of minimum lease payments
	(in thousand Baht)		
<i>Finance lease liabilities</i>			
<i>At 31 December 2019 - restated</i>			
Within 1 year	9,291	(954)	8,337
1 - 5 years	19,635	(1,105)	18,530
<b>Total</b>	<b>28,926</b>	<b>(2,059)</b>	<b>26,867</b>

## 17 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	(in thousand Baht)			
Post-employment benefits -				
legal severance payment plan	61,508	99,134	32,099	73,701
Other long-term employee benefits	6,000	10,055	5,396	5,161
<b>Total</b>	<b>67,508</b>	<b>109,189</b>	<b>37,495</b>	<b>78,862</b>

### Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	(in thousand Baht)			
At 1 January	109,189	93,233	78,862	64,460
<b>Included in profit or loss</b>				
Current service costs	6,988	6,580	4,337	3,493
Past service costs	9,663	24,889	10,863	19,014
Interest on obligation	2,859	2,444	2,060	1,539
Defined benefit transferred to other company	-	(1,156)	-	(1,156)
Actuarial loss	-	302	-	257
	<b>19,510</b>	<b>33,059</b>	<b>17,260</b>	<b>23,147</b>



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	<i>(in thousand Baht)</i>			
<b>Included in other comprehensive income</b>				
Actuarial (gain) loss				
Demographic assumptions	(569)	(4,730)	(521)	(3,328)
Financial assumptions	3,367	(6,520)	1,333	(1,127)
Experience adjustment	(10,013)	4,972	(15,703)	641
	<u>(13,215)</u>	<u>(6,278)</u>	<u>(14,891)</u>	<u>(3,814)</u>
<b>Other</b>				
Benefits paid	(47,976)	(10,825)	(43,736)	(4,931)
<b>At 31 December</b>	<u><b>67,508</b></u>	<u><b>109,189</b></u>	<u><b>37,495</b></u>	<u><b>78,862</b></u>

### Principal actuarial assumptions

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	<i>(%)</i>		<i>(%)</i>	
<b>For the year ended 31 December</b>				
Discount rate	1.22 - 1.52	2.24 - 2.82	1.44 - 1.52	2.24 - 2.82
Future salary growth	4.50 and 4.93	4.93 and 5.50	4.50	5.50
Employee turnover rate	0 - 29.00	4.50 - 23.00	4.50 - 29.00	4.50 - 19.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2020, the weighted-average duration of the defined benefit obligation was 13.48 - 15.56 years (2019: 8.00 - 13.80 years).



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation</i>	<b>Consolidated financial statements</b>			
	0.5% increase in assumption		0.5% decrease in assumption	
<i>At 31 December</i>	2020	2019	2020	2019
		(Restated)		
		(in thousand Baht)		
Discount rate	(3,420)	(3,982)	3,706	4,300
Future salary growth	3,162	4,064	(2,953)	(3,807)
Employee turnover	(198)	(219)	199	227

<i>Effect to the defined benefit obligation</i>	<b>Separate financial statements</b>			
	0.5% increase in assumption		0.5% decrease in assumption	
<i>At 31 December</i>	2020	2019	2020	2019
		(in thousand Baht)		
Discount rate	(2,055)	(3,815)	2,231	4,118
Future salary growth	1,859	3,906	(1,732)	(3,654)
Employee turnover	(100)	(210)	101	217

## 18 Share capital

	Par value per share (in Baht)	2020		2019	
		Number	Value	Number	Value
		(in thousand shares / in thousand Baht)			
<b>Authorised shares</b>					
At 1 January					
- ordinary shares	1	110,000	110,000	110,000	110,000
Increase of new shares	1	94,220	94,220	-	-
<b>At 31 December</b>		<b>204,220</b>	<b>204,220</b>	<b>110,000</b>	<b>110,000</b>
<b>Issued and paid-up shares</b>					
At 1 January					
- ordinary shares	1	110,000	110,000	110,000	110,000
Increase of new shares	1	94,220	94,220	-	-
<b>At 31 December</b>		<b>204,220</b>	<b>204,220</b>	<b>110,000</b>	<b>110,000</b>

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

At the Annual General Meeting of Shareholders of the Company held on 28 May 2020, the shareholders have approved the issuance and allocation the Company's registered capital amounted to Baht 94.22 millions increased by 94,220,357 ordinary shares at par value Baht 1 per share to support business restructuring plan and entire business transfer. The Company registered the issued and paid-up share capital as mentioned above to the Department of Business Development, Ministry of Commerce on 29 May 2020 and 9 June 2020, respectively.

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

## 19 Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

## 20 Segment information and disaggregation of revenue

Management considers that the Group operates in a single line of business, namely security documents, and has, therefore, only one reportable segment.

	Consolidated financial statements	
	2020	2019 (Restated)
<i>For the year ended 31 December</i>	<i>(in thousand Baht)</i>	
<i>Information about reportable segments</i>		
External revenues	1,614,529	2,187,870
Inter-segment revenue	162,024	45,266
<b>Total revenue</b>	<b>1,776,553</b>	<b>2,233,136</b>
Elimination of inter-segment transactions	(162,024)	(45,266)
<b>Total</b>	<b>1,614,529</b>	<b>2,187,870</b>
<b>Timing of revenue recognition</b>		
At a point in time	1,614,529	2,187,774
Over time	-	96
<b>Total revenue</b>	<b>1,614,529</b>	<b>2,187,870</b>

### Geographical segments

The Group geographical segment is in domestic and overseas. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### Geographical information

	<b>Consolidated financial statements</b>	
	2020	2019 (Restated)
	<i>(in thousand Baht)</i>	
Thailand	1,511,761	2,036,295
Countries in Asia	74,991	124,628
Others	27,777	26,947
<b>Total</b>	<b>1,614,529</b>	<b>2,187,870</b>

### Major Customer

Revenues from one customers of the Group's Security documents segment represents approximately Baht 332 million for the year 2020 (2019 (restated): Baht 501 million) of the Group's total revenues.

### Promotional privileges

The Group has been granted promotional certificates by the Office of the Board of Investment for security printing. The Group has been granted several privileges including exemption and reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

<b>Consolidated financial statements</b>						
2020			2019 (Restated)			
<i>Year ended 31 December</i>	Promoted businesses	Non- promoted businesses	<b>Total</b>	Promoted businesses	Non- promoted businesses	<b>Total</b>
	<i>(in thousand Baht)</i>					
Local sales	141,457	1,356,569	1,498,026	31,090	1,978,688	2,009,778
Export sale	-	102,687	102,687	-	148,286	148,286
Service sale	-	13,816	13,816	-	29,806	29,806
	<b>141,457</b>	<b>1,473,072</b>	<b>1,614,529</b>	<b>31,090</b>	<b>2,156,780</b>	<b>2,187,870</b>

## 21 Employee benefit expenses

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019 (Restated)	2020	2019
	<i>(in thousand Baht)</i>			
Salaries and wages	363,416	485,133	204,665	251,730
Welfares and others	32,015	53,288	15,282	29,108
Defined benefit plans	19,510	33,059	17,260	23,147
Defined contribution plans	7,699	19,444	6,148	14,982
Directors' remuneration	1,650	3,163	1,650	3,163
<b>Total</b>	<b>424,290</b>	<b>594,087</b>	<b>245,005</b>	<b>322,130</b>



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is voluntary. Contributions are made monthly by the employees at rates ranging from 3% to 15% of their basic salaries and by the Group from 5% to 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

## 22 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	(in thousand Baht)			
Changes in inventories of finished goods and work in progress	63,509	(24,984)	39,192	(19,873)
Raw materials and consumables used	461,752	721,873	174,410	393,941
Employee benefit expenses	424,290	594,087	245,005	322,130
Depreciation and amortisation	170,482	147,170	65,157	59,104
Maintenance expenses	62,917	82,314	14,370	27,029
Others	443,604	572,195	276,268	227,573
<b>Total</b>	<b>1,626,554</b>	<b>2,092,655</b>	<b>814,402</b>	<b>1,009,904</b>

## 23 Income tax

### Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	(in thousand Baht)			
<b>Current tax</b>				
Current year	7,688	45,511	-	28,546
Adjustment for prior years	(1,292)	-	-	-
	<b>6,396</b>	<b>45,511</b>	<b>-</b>	<b>28,546</b>
<b>Deferred tax</b>				
Movement in temporary differences	(2,330)	(4,152)	(9,962)	(4,363)
	<b>(2,330)</b>	<b>(4,152)</b>	<b>(9,962)</b>	<b>(4,363)</b>
<b>Total income tax expense (benefit)</b>	<b>4,066</b>	<b>41,359</b>	<b>(9,962)</b>	<b>24,183</b>

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

Consolidated financial statements						
	2020			2019 (Restated)		
<i>Income tax</i>	Before tax	Tax expense	Net of tax (in thousand Baht)	Before tax	Tax expense	Net of tax
<i>Recognised in other comprehensive income</i>						
Defined benefit plan actuarial gains	13,215	(2,643)	10,572	6,278	(1,022)	5,256
<b>Total</b>	<b>13,215</b>	<b>(2,643)</b>	<b>10,572</b>	<b>6,278</b>	<b>(1,022)</b>	<b>5,256</b>

Separate financial statements						
	2020			2019		
<i>Income tax</i>	Before tax	Tax expense	Net of tax (in thousand Baht)	Before tax	Tax expense	Net of tax
<i>Recognised in other comprehensive income</i>						
Defined benefit plan actuarial gains	14,891	(2,978)	11,913	3,814	(763)	3,051
<b>Total</b>	<b>14,891</b>	<b>(2,978)</b>	<b>11,913</b>	<b>3,814</b>	<b>(763)</b>	<b>3,051</b>

### Reconciliation of effective tax rate

<i>Reconciliation of effective tax rate</i>	<b>Consolidated financial statements</b>			
	2020		2019 (Restated)	
	<i>Rate</i> <i>(%)</i>	<i>(in thousand</i> <i>Baht)</i>	<i>Rate</i> <i>(%)</i>	<i>(in thousand</i> <i>Baht)</i>
Profit (loss) before income tax expense		(12,824)		246,499
Share of loss of joint venture		7,171		8,241
		<u>(5,653)</u>		<u>254,740</u>
Income tax using the Thai corporation tax rate	20	(1,131)	20	50,948
Expenses not deductible for tax purposes		2,462		998
Income not subject to tax		(1,538)		-
Additionally deductible for expenses		(8,951)		(9,369)
Current year losses for which no deferred tax asset was recognised		16,023		3,776
Utilisation of previously unrecognised tax losses		(1,507)		(4,994)
Over provided in prior years		(1,292)		-
<b>Total</b>	<b>14</b>	<b>4,066</b>	<b>17</b>	<b>41,359</b>

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### Reconciliation of effective tax rate

	Separate financial statements			
	Rate (%)	2020 (in thousand Baht)	Rate (%)	2019 (in thousand Baht)
Profit (loss) before income tax expense		(95,580)		184,122
Income tax using the Thai corporation tax rate	20	(19,116)	20	36,824
Expenses not deductible for tax purposes		1,460		1,009
Additionally deductible for expenses		(8,329)		(8,656)
Current year losses for which no deferred tax asset was recognised		16,023		-
Utilisation of previously unrecognised tax losses		-		(4,994)
<b>Total</b>	<b>(10)</b>	<b>(9,962)</b>	<b>13</b>	<b>24,183</b>

### Deferred tax At 31 December

	Consolidated financial statements			
	Assets		Liabilities	
	2020	2019 (Restated) (in thousand Baht)	2020	2019 (Restated)
Total	26,183	27,650	(5,723)	(6,877)
Set off of tax	(920)	(881)	920	881
<b>Net deferred tax assets</b>	<b>25,263</b>	<b>26,769</b>	<b>(4,803)</b>	<b>(5,996)</b>

### Deferred tax At 31 December

	Separate financial statements			
	Assets		Liabilities	
	2020	2019 (in thousand Baht)	2020	2019
Total	24,970	17,987	-	-
Set off of tax	-	-	-	-
<b>Net deferred tax assets (liabilities)</b>	<b>24,970</b>	<b>17,987</b>	<b>-</b>	<b>-</b>

	Consolidated financial statements		
	Charged/ credited to		
	At 1 January	profit or loss (in thousand Baht)	other comprehensive income
<b>Deferred tax</b>			<b>At 31 December</b>
<b>2020</b>			
<b>Deferred tax assets</b>			
Expected credit loss	1,385	4,852	-
Inventories	3,795	2,599	-
Provisions for employee benefits	22,470	(6,275)	(2,643)
<b>Total</b>	<b>27,650</b>	<b>1,176</b>	<b>(2,643)</b>
<b>Deferred tax liabilities</b>			
Lease liabilities	(6,877)	1,154	-
<b>Total</b>	<b>(6,877)</b>	<b>1,154</b>	<b>-</b>
<b>Net</b>	<b>20,773</b>	<b>2,330</b>	<b>(2,643)</b>



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

	Consolidated financial statements			
		Charged/ credited to		
	At	profit or	other	At
	1 January	loss	comprehensive income	31 December
<i>Deferred tax</i>				
<i>2019 - restated</i>		<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>				
Trade receivables	4,049	(2,664)	-	1,385
Inventories	1,833	1,962	-	3,795
Provisions for employee benefits	18,906	4,586	(1,022)	22,470
<b>Total</b>	<b>24,788</b>	<b>3,884</b>	<b>(1,022)</b>	<b>27,650</b>
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(88)	88	-	-
Liabilities under finance lease contracts	(7,057)	180	-	(6,877)
<b>Total</b>	<b>(7,145)</b>	<b>268</b>	<b>-</b>	<b>(6,877)</b>
<b>Net</b>	<b>17,643</b>	<b>4,152</b>	<b>(1,022)</b>	<b>20,773</b>

		Separate financial statements		
		Charged/ (credited) to		
	At	profit or	other	At
<i>Deferred tax</i>	1 January	loss	comprehensive	31 December
		<i>(in thousand Baht)</i>		
<i>2020</i>				
<i>Deferred tax assets</i>				
Expected credit loss	692	5,349	-	6,041
Inventories	754	3,650	-	4,404
Investment in subsidiaries	-	6,897	-	6,897
Right-of-use assets	-	129	-	129
Provisions for employee benefits	16,541	(6,064)	(2,978)	7,499
<b>Total</b>	<b>17,987</b>	<b>9,961</b>	<b>(2,978)</b>	<b>24,970</b>

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

		Separate financial statements		
		Charged/ (credited) to		
	At	profit or	other	At
<i>Deferred tax</i>	1 January	loss	comprehensive	31 December
		(in thousand Baht)		
<i>2019</i>				
<i>Deferred tax assets</i>				
Trade receivables	692	-	-	692
Inventories	244	510	-	754
Provisions for employee benefits	13,539	3,765	(763)	16,541
<b>Total</b>	<b>14,475</b>	<b>4,275</b>	<b>(763)</b>	<b>17,987</b>
<i>Deferred tax liability</i>				
Property, plant and equipment	(88)	88	-	-
<b>Total</b>	<b>(88)</b>	<b>88</b>	<b>-</b>	<b>-</b>
<b>Net</b>	<b>14,387</b>	<b>4,363</b>	<b>(763)</b>	<b>17,987</b>

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
		(in thousand Baht)		
Tax losses	23,531	9,015	16,023	-

The tax losses expire in 2021 - 2025. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### 24 Basic earnings (loss) per share

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019
	<i>(in thousand Baht)</i>			
<b>Profit (loss) attributable to ordinary shareholders of the Company (basic)</b>	<b><u>(13,017)</u></b>	<b><u>132,511</u></b>	<b><u>(85,618)</u></b>	<b><u>159,939</u></b>
<b>Ordinary shares outstanding</b>				
Number of ordinary shares outstanding at 1 January	110,000	110,000	110,000	110,000
Effect of shares issued related to a business combination	<u>55,863</u>	<u>-</u>	<u>55,863</u>	<u>-</u>
<b>Weighted average number of ordinary shares outstanding (basic) at 31 December</b>	<b><u>165,863</u></b>	<b><u>110,000</u></b>	<b><u>165,863</u></b>	<b><u>110,000</u></b>
<b>Earnings (loss) per share (basic) <i>(in Baht)</i></b>	<b><u>(0.08)</u></b>	<b><u>1.20</u></b>	<b><u>(0.52)</u></b>	<b><u>1.45</u></b>

### 25 Dividends

The dividends paid by the Group to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share <i>(Baht)</i>	Amount <i>(in thousand Baht)</i>
<b>2020</b>				
<b>The Company</b>				
Interim dividend	9 April 2020	April 2020	<u>0.45</u>	<u>49,500</u>
<b>2019</b>				
<b>The Company</b>				
Interim dividend	5 August 2019	September 2019	<u>0.68</u>	<u>74,800</u>
<b>The Group</b>				
Annual dividend	22 April 2019	May 2019	3.00	90,000
Interim dividend	5 August 2019	September 2019	0.68	74,800
Interim dividend	9 September 2019	September 2019	<u>5.90</u>	<u>177,000</u>
			<b><u>9.58</u></b>	<b><u>341,800</u></b>



# **TBSP Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

**For the year ended 31 December 2020**

### **26 Financial instruments**

#### **(a) Carrying amounts and fair values**

Fair value information for financial assets and financial liabilities measured at amortised cost and carrying amount is a reasonable approximation of fair value.

#### **(b) Financial risk management policies**

##### ***Risk management framework***

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

##### **(b.1) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

##### **(b.1.1) Trade accounts receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 20.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the risk management committee.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 105 days.

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

The following table provides information about the exposure to credit risk and ECLs for trade accounts receivables and contract assets.

	Consolidated financial statements		Separate financial statements	
	Trade accounts receivable - carrying amounts	Allowance for expected credit loss <i>(in thousand Baht)</i>	Trade accounts receivable - carrying amounts	Allowance for expected credit loss
<i>At 31 December 2020</i>				
Within credit terms	182,579	-	66,483	-
Overdue:				
1-30 days	67,607	(23)	33,342	(23)
31-60 days	19,881	-	10,992	-
61-90 days	8,298	(441)	3,079	(32)
More than 90 days	14,165	(7,746)	12,879	(6,340)
<b>Total</b>	<b>292,530</b>	<b>(7,940)</b>	<b>126,775</b>	<b>(6,395)</b>
Less allowance for expected credit loss	(7,940)		(6,395)	
<b>Net</b>	<b>283,590</b>		<b>120,380</b>	

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The normal credit term granted by the Group and the Company ranges from 7 days to 105 days.

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Trade accounts receivable</i>		
<i>At 31 December 2019 - restated</i>		
Within credit terms	171,437	85,372
Overdue:		
Less than 3 months	163,869	73,480
3 - 6 months	11,680	2,388
6 - 12 months	2,277	2,526
Over 12 months	19,867	4,954
	<b>369,130</b>	<b>168,720</b>
Less allowance for doubtful accounts	(7,382)	(3,458)
<b>Net</b>	<b>361,748</b>	<b>165,262</b>



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### (b.1.2) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions, for which the Group considers to have low credit risk.

### (b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Consolidated financial statements						
Contractual cash flows						
	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
At 31 December 2020			(in thousand Baht)			
<b>Non-derivative financial liabilities</b>						
Loans from financial institutions	575,500	463,000	54,000	58,500	-	575,500
Lease liabilities	151,341	53,163	39,304	47,691	33,600	173,758
	<u>726,841</u>	<u>516,163</u>	<u>93,304</u>	<u>106,191</u>	<u>33,600</u>	<u>749,258</u>
Separate financial statements						
Contractual cash flows						
	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
At 31 December 2020			(in thousand Baht)			
<b>Non-derivative financial liabilities</b>						
Loans from financial institutions	356,500	244,000	54,000	58,500	-	356,500
Lease liabilities	29,056	22,033	14,680	2,136	-	38,849
	<u>385,556</u>	<u>266,033</u>	<u>68,680</u>	<u>60,636</u>	<u>-</u>	<u>395,349</u>



# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

<i>At 31 December 2019 - restated</i>	<b>Consolidated financial statements</b>			
	Effective interest rate (% per annum)	Maturity period		Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	
<b>Financial Assets</b>				
Loans to - related companies	5.50	1,873	13,115	14,988
<b>Total</b>		<b>1,873</b>	<b>13,115</b>	<b>14,988</b>
<b>Financial Liabilities</b>				
Bank overdrafts and short term loans from financial institutions	1.98-2.70	417,034	-	417,034
Long term loans from financial institutions	2.65-2.86	90,018	130,500	220,518
Finance lease liabilities	1.94-4.37	8,337	18,530	26,867
<b>Total</b>		<b>515,389</b>	<b>149,030</b>	<b>664,419</b>

<i>At 31 December 2019</i>	<b>Separate financial statements</b>			
	Effective interest rate (% per annum)	Maturity period		Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	
<b>Financial Assets</b>				
Loans to - related companies	3.13 and 5.50	4,873	13,115	17,988
<b>Total</b>		<b>4,873</b>	<b>13,115</b>	<b>17,988</b>
<b>Financial Liabilities</b>				
Bank overdrafts and short term loans from financial institutions	2.20-6.87	148,033	-	148,033
Long term loans from financial institutions	2.65-2.85	82,333	130,000	212,833
<b>Total</b>		<b>230,366</b>	<b>130,500</b>	<b>360,866</b>

### (b.3) Market risk

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

# TBSP Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 31 December 2020

### (b.3.1) Foreign currency risk

The Group is exposure to foreign currency risk relates principally to its payables which are denominated in foreign currencies. However, as at 31 December 2020 and 2019, the Group does not have material foreign currency risk.

### (b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (*see note 16*).

<i>Exposure to interest rate risk at 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<b><i>Financial instruments with fixed interest rates</i></b>				
Financial assets	-	14,988	3,000	17,988
Financial liabilities	575,500	609,219	356,500	332,533
	<u>575,500</u>	<u>624,207</u>	<u>359,000</u>	<u>350,521</u>
<b><i>Financial instruments with float interest rates</i></b>				
Financial liabilities	-	28,333	-	28,333

### *Fair value sensitivity analysis for fixed-rate instruments*

The Group does not account for any fixed-rate financial assets or financial liabilities, at FVTPL. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

## 27 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' and also monitors the level of dividends to ordinary shareholders.

## 28 Commitments with non-related parties

<i>As at 31 December 2020</i>	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
	<i>(in thousand Baht)</i>	
<b><i>Capital commitments</i></b>		
Buildings and constructions	2,158	-
Machinery and equipment	1,195	471
<b>Total</b>	<u>3,353</u>	<u>471</u>
<b><i>Other commitments</i></b>		
Bank guarantees	<u>160,571</u>	<u>50,062</u>

**TBSP Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
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**29 Event after the reporting period**

As disclosed in note 5, the Group has elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of coronavirus pandemic (COVID-19). The guidance expired on 31 December 2020.

The COVID-19 pandemic continued subsequent to the expiration of the guidance as increasingly affected cases were found and spread all over Thailand. In response to the situation, Thailand has enacted measures to monitor and control the spread, encouraging people to keep social distancing, avoid crowded gathering and travel less. Meanwhile, according to information from the World Health Organization (WHO), vaccines for COVID-19 have become available and are being rolled out around the world. However, it is still not possible to predict for how long and to what extent the vaccines will provide protection and when the spread will be over.

As the situation is highly uncertain and fluid, it is currently not possible to determine the impact of the continued pandemic, government measures and roll out of the vaccination on the business of the Group. Management is closely monitoring the situation and managing to lessen the impact as much as possible.





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